

JPRS 84436

29 September 1983

Southeast Asia Report

No. 1346

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29 September 1983

SOUTHEAST ASIA REPORT

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YOUTHS GET TECHNICAL TRAINING IN USSR

Vientiane PASASON in Lao 23 Jul 83 p 3

[Article by Soukouhop: "Lao Students in Azerbaijan"]

[Excerpts] There are as many as 308 young Lao men and women who are studying in high-level and mid-level specialized task and vocational technical schools. In Baku, the capital of Azerbaijan, these youth represent the friendly nation of Laos. They study [different] vocational engineering in the oil and chemical institute. They study construction engineering and various subjects in the mid-level school, especially subjects relating to energy and oil. Moreover, there are a number of Lao students in the university and the National Institute of Azerbaijan. This year 17 Lao students will graduate and return to their country, and another 10 Lao students will graduate from technical school.

The Ministry responsible for high-level education and mid-level specialized tasks of Soviet Azerbaijan praised the studiousness of the Lao students. When they finished their winter examinations, 25 Lao students had passed the exams and were praised as "excellent" in all subjects. A number of Lao students went for on-the-job training at an oil refinery and LPG [liquefied petroleum gas] site, at the industrial company of Baku, in the State Planning Committee, and in different organizations in the capital of Azerbaijan.

During the fall vacation the Lao students spend their vacation with Soviet student friends in resorts located on the Caspian shore or on large and small mountains in the Caucasus. They also toured the USSR. The Lao students are also members of a student construction company in order to work at different construction sites in Siberia, the northern Caucasus, and in the central regions of the USSR.

Vignaket added at the end that in Azerbaijan there are men and women students from over 10 European countries. There are students from Asia, Africa, and Latin America. The Soviet Government has given them grants so they might be trained to become expert national cadres. Although we are leaving the USSR, we will not forget the USSR and its people, their warmth and fraternal friendship, and the Soviet teachers who trained us.

9884

CSO: 4206/108

PLANNING OFFICIAL ASSESSES PACT WITH SRV, INDOCHINA COOPERATION

Vientiane PASASON in Lao 22 Jul 83 p 3

[Article: "Mr Khampet Phengmeuang's Views on the 6th Anniversary of the Signing of the Laos-Vietnam Friendship and Cooperation Agreement"]

[Text] This 18 July was the 6th anniversary of the signing of the friendship and cooperation agreement between the LPDR and the SRV. In order to implement the achievement of this agreement in the years past Laos and Vietnam have helped each other as special fraternal neighbors. This resulted in a satisfactory broadening and increase in cooperation in economics, culture, and technology. Most of the cooperation has been carried out in the LPDR and in many work areas such as road and building construction, the survey of a number of economic bases, the exchange of goods, etc., and help in cadre training. All of these have resulted in material and technical bases necessary to protect the revolutionary achievements and to construct the LPDR as a socialist country. Meanwhile, the Laos-Vietnam economic, cultural and technological cooperation evolution process is not only a determined carrying out of the friendship and cooperation agreement between the two countries, but also a reinforcement of the special friendship and all-around cooperation where the materials and technical bases have steadily and gloriously expanded. This achievement has also confirmed the correct policies of the LPRP and the Vietnamese Communist Party which always cherishes the special solidarity of ancient heritage which was ever firm, as it is now. As part of the Laos-Vietnam cooperation committee we believe that cooperation in economics, culture and technology for the two countries will be even broader and will increase the participation in socialist construction for each country determinedly, gloriously and victoriously.

How has the announcement of the three Indochinese nations' supreme congress and the success of the congress committee for economic and cultural cooperation between Laos, Vietnam, and Kampuchea helped Laos-Vietnam cooperation to expand? In February 1983 a supreme congress of the three Indochinese nations was held in Vientiane capital in order to implement the acts of that congress. On 1-3 July 1983 a summit of the three committee chairmen for the Laos-Vietnam economic and cultural cooperation, first session, was held in Phnom Penh. This first-level congress was held in a friendly atmosphere of fraternal solidarity, beliefs, and complete mutual understanding. The summit exchanged ideas on directions for cooperation in economics, culture, and technology and

a number of major policies concerning cooperation among the three nations. They unanimously signed the agreement on economic, cultural, and technological cooperation and a protocol concerning the formulation of the three cooperation committee's obligations, which demonstrated complete unity on the following issues.

The three Indochinese nations earlier had firmly and mutually cooperated in all spheres to liberate their countries in the struggle against the imperialists. After each nation was liberated and had obtained democratic power they have continued their mutual cooperation, reviving and expanding economics, normalizing the standard of living of the people, and protecting the nation.

Now facing the tricks of the expansionists in the Beijing power circle who are collaborating with the American imperialists and other reactionary forces to carry out a war of aggression to destroy many aspects of our countries, broad and increased cooperation in economics, culture and technology among the three countries has become an objective demand aimed at guaranteeing the standard of living of the people so they might become overall forces helping each other in constructing socialism and protecting the revolutionary achievements according to the direction and actual condition of each nation.

The broad and increased mutual cooperation among the three nations is aimed at increasing their self-sufficiency and the self-construction of each nation, and at strongly reinforcing the total hidden potential in labor, natural resources, material and technical bases, and the labor forces of each country, in order to ensure the demands of production and the standard of living of the people. Meanwhile, they will cooperate and prepare for the long-term project of constructing socialism in the three nations.

The three Indochinese nations are not only closely unified with each other in all aspects, but they are also forever increasing solidarity in all aspects with the USSR and other fraternal socialist nations as they participate in improving and defending world socialism and making it strong.

We assessed this summit of the committee for the three Indochinese nations' cooperation as a high achievement. It not only increases the special solidarity among the three nations but also sets the direction of the mutual cooperation of the three countries. It is the correct implementation of the acts of the supreme congress which said that we must expand and reinforce all aspects of cooperation in the new phase of the revolution.

With this welcome opportunity and on behalf of the Laos-Vietnam-Kampuchea cooperation committee, we wish for special solidarity and all-around cooperation among the three countries, and for them to be forever strong.

9884

CSO: 4206/108

IMPROVED CHAMPASSAK SECURITY, ECONOMIC PERFORMANCE NOTED

Vientiane PASASON in Lao 1 Aug 83 p 2

[Article by B. Vatthananon: "The People in Khamlouang Canton Are Advancing to a New Victory"]

[Excerpts] Khamlouang Canton is a fairly large canton consisting of 17 villages, 1,237 families, and a total population of 6,672 including 3,295 women. It is subordinate to Sanasomboun District, Champassak Province. The ethnic people in this canton are all farmers. The ricefield area totals 1,568.47 hectares. Since the country was completely liberated and the new regime was established the ideology along with the standard of living of the people of the ethnic groups in this canton has gradually risen. At first they were discouraged, inactive and did not pay attention to production. They were occupied with extravagance and trade. Even worse, their enemies persistently sabotaged their peace resulting in fear among these ethnic people, and they did not feel secure. But now, by absorbing the policy of the party and government, they understand the unassailable progress of the nation through the attention of the administrative committees of cantons as well as districts, as they closely and realistically disseminate the political plans and different documents of the party throughout this period. This helps the people of ethnic groups to understand the situation and the bright future of the country, firmly to differentiate friends from foes, to understand the evil intentions of the counter-revolutionaries, and firmly to believe in the capable and clearsighted leadership of the LPRP. From now on it gives the people of ethnic groups in this canton a revolutionary spirit needed to become a driving force in all work areas such as production and the PSS [Public Security Service]. Production is steadily becoming an economic expansion policy of the party and government. At the present time they have organized four agricultural co-op units. The agricultural co-op members and the farmers throughout the canton are awakening and voluntarily taking part [in paying agricultural taxes]. The rice total is 112,925 tons. Moreover, there are 72,996 tons of rice from purchase and exchange. The national defense and national security is strong. The guerrilla unit network has been improved and is now a driving force in sincerely working to stop all tricks and movements of the enemies and to maintain the peace and happiness of their own canton.

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CSO: 4206/108

OFFICIAL DISCUSSES FAULTS IN BANKING SYSTEM, ENEMY PROPAGANDA

Vientiane PASASON in Lao 22 Jul 83 p 2

[Article by Litthi Sisouvang: "Depositing Money in the Bank Means Taking Part in Constructing the Nation"]

[Text] "Depositing money in the bank means taking part in constructing the nation" was a statement by Comrade Silisai Vilaivong, chief of the deposit department of the State Bank Committee in an interview. Concerning the history of deposits and other necessary issues, Comrade Silisai Vilaivong explained that since the implementation of the order of the Council of Ministers No 046/(COM) on 2 October 1976 the deposit department has determinedly started its work. Each year the people of ethnic groups have increased the deposit of their money in the savings bank. This shows that the people have started to be interested in and have an ideology that is consistent with our bank. In other words, it is an indication of the patriotism and the love for the new regime that they have already had, but now the people express it with actual materials. This is because they have been reeducated and have absorbed the policies of the party and government. They understand that national construction is everyone's duty.

However, speaking specifically of general deposits, we can see that it has not yet expanded its role as it should. For example, in 1982 the money which the people deposited in their savings was still considered very little only 1.27 kipper person on the average. From this we can see that our enemies have been trying to look for ways to destroy and stop our national construction. For example, they stopped the people who have money from depositing it in the bank by propagandizing that "whoever puts their money in the bank will have their money seized," and "once you deposit the money in the bank it is hard to withdraw." In some places these enemies hammered a wedge by saying, "once you put your money in the bank the organization will assess you as being rich and fraudulent," and other adverse propaganda.

In fact, the State Bank Committee, our deposit department, has studied and carried out the policy of the party and government correctly by clearly dividing deposits into two types: [deposits under government management] and [deposits that mobilize the people]. Savings are considered a deposit that mobilizes the

people, and clients who deposit their money in the bank are able to withdraw money as they wish and whenever they want. The bank will make it easy for them according to its regulations. However, there have been unavoidable cadre weaknesses in the deposit units and bank branches. Some are still slow to act or impolite in speaking, which has resulted in anger among the people who want to withdraw money. Our banking cadres will improve this weakness in the future.

Comrade Silisai Vilaivong, chief of the deposit department of the State Bank, also asked all people again to unite against the propaganda distortions and tricks of the enemies that are against the party policy on encouraging people to deposit their savings. Meanwhile, they should unite to increase bank deposits. When they have money they want to save they should put it in the bank that has branches everywhere, in order to take part in building the nations capital for constructing and developing the country.

Speaking of banking, Comrade Silisai added that along with encouraging and mobilizing the people to be aroused to deposit their savings in the bank, the bank will study and implement the party policy to be correct and more agreeable than before. For example, it will expand bank units deep within each cadre group and the people in wards, villages, offices and factories. Meanwhile, it will improve the interest on savings to be more proper.

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CSO: 4206/108

LAOS

BRIEFS

SAYABOURY DISTRICT CENSUS--Bo Ten is a district in Sayaboury Province. It has over 16,000 people, 4 cantons, and 59 villages including 1 village of Lao Soung. [Excerpt] [Vientiane PASASON in Lao 8 Aug 83 p 2] 9884

CSO: 4206/108

U.S. URGED TO ACCEPT EQUITABLE TIES WITH SOUTHEAST ASIA

Kuala Lumpur NEW STRAITS TIMES in English 12 Aug 83 p 6

[Text]

PENANG, Thurs. — The United States should withdraw its troops from South-East Asia and accept a more equitable economic and cultural relationship with countries in the region to help ensure peace in the area.

African president Dr Chandra Muzaffar said what was really needed in the region was the determination to evolve just, humane societies where wealth, power and knowledge are equitably distributed.

The basic rights and liberties of the people should also be protected through genuinely participatory democracies which cherish the right of dissent.

"However, neither the practice of communism nor American foreign policy in South-East Asia will allow the emergence of such societies."

Dr Chandra, a former political science lecturer of the Universiti Sains Malaysia (USM), said this in his talk on the "American Foreign Policy in South-East Asia" organised by the Political Science Club of the USM here last night.

"Indeed even attempts to obtain better prices for our primary commodities and to secure markets for some of our manufactured products continue to be thwarted by various policies of the United States," he said.

He questioned whether the American businessmen, industrialists, technocrats and bureaucrats who benefit from their country's dominance of the international system would allow a more equitable relationship between the United States

and South-East Asia.

Dr Chandra said the United States' industrial production quadrupled after World War II.

"It became very dependent upon the raw materials of other countries and needed a huge world market to sustain industries."

South-East Asia with its mineral resources, raw materials, vital sea lanes and strategic location, took on a new importance for the United States.

"This is why the United States feared the type of nationalism which would insist upon South-East Asians controlling their own natural resources, creating their own industries, establishing their own trade patterns," he said.

Americans, he said, must realise that a different mood prevailed in the Third World.

"People want to establish societies that are free of outside control. They do not want to be mere appendages of other systems. They do not want to be carbon copies of other experiences."

"This is the message from Central America,

from Iran, from parts of Africa and South Asia."

Dr Chandra said there was also a need to establish a new framework for international relations in the region.

"To start with, there should be no alien troops in any country."

There should also be no foreign bases like the Subic and the Clark Air Bases in the Philippines. The Cam Ranh Bay in Vietnam should be open to inspection.

The Soviet Union, the United States, China and Japan should undertake to follow a policy of non-interference in the internal affairs of South-East Asian States which in turn should not be involved in big power conflicts.

This arrangement should be guaranteed in a treaty and supervised by the United Nations.

This could lead to the establishment of a Zone of Peace, Freedom, and Neutrality (Zopfan) as suggested by Malaysia in 1971.

But for Zopfan to succeed, the countries in the region should be genuinely non-aligned.

EDITORIAL CALLS FOR U.S.-MALAYSIAN RELATIONSHIP BASED ON EQUALITY

U.S. Receptiveness 'Important'

Kuala Lumpur NEW STRAITS TIMES in English 13 Aug 83 p 12

[Editorial: "An Equal Relationship"]

[Text] Saturday, August 13, 1983--The relationship between Washington and Kuala Lumpur should, ideally, be based on understanding, compromise, equality and shared interests which bring benefits to both. The recent statements made by the US Ambassador, Mr Ronald Palmer, point to how distant from this ideal is the US interpretation of its diplomatic role.

Asking Malaysia to be aggressive in order to be "heard, understood and appreciated" is an encouraging invitation which we would be foolish to ignore. So we must be assertive, fight for the frontiers of fairness to be pushed back further, sound out our problems and expectations with a voice louder than before. But is the US prepared to listen and allow for an equal relationship, not dominate by virtue of its monetary and military might?

Two statements made by the Ambassador diminish the positive stand he otherwise appears to take. Malaysia, he says firstly, should compete for US attention. This reminds one of an immovable giant waiting patronisingly at the finishing line to cast favours on the victor among his 'vassals'. Aren't ties between countries supposed to mean taking steps towards each other, not one remaining rigid while the other "goes all the way"?

The Ambassador's second statement is even more disconcerting: "While there is growing Malaysian interest in the US, there is no corollary increase in US interest in this country". If this does not betray the stance super-powers tend to adopt towards countries less developed than they are, what does? Admittedly, Malaysia bears part of the responsibility of making its presence felt. But US receptiveness is an important factor too.

From time to time, Malaysia has received stark reminders of how widespread American ignorance is. As late as 1981, our students brought home news that many Americans were still ignorant about our progress, some still believing that we lived on trees. Are we to believe that the American public's embassies have not the responsibility of enlightening the American people about the other nations of the world?

Relations between the US and us continue to improve but there still exists an inequality in the measure of understanding given by each side. Rhetoric has too often held sway in diplomatic circles, with equality being talked about but action sadly lacking. It is high time the promise is put back into the word 'compromise'.

Relations with U.S.

Kuala Lumpur NEW STRAITS TIMES in English 14 Aug 83 p 1

[Text]

KUALA LUMPUR, Sat. — Acting Prime Minister Datuk Musa Hitam said today it was vital for Malaysia and the United States to maintain continuing and steady relations based on mutual understanding of one another's interests.

He told a 10-member US Congressional delegation led by Mr James Wright, that Malaysia's success story was the result of a long struggle to attain industrial and economic progress.

Malaysia's success depended on whatever ac-

tion the United States took with regard to the commodity market, he added.

Datuk Musa stressed that action taken by the United States would affect not only the Malaysian market but would also have a negative impact on the people.

On the persistent problem posed by the United States on the tin stockpile, Datuk Musa said he impressed upon the delegation the need to review the stockpile situation.

While Malaysia recognised the need for the

United States to have a stockpile of primary commodities, it was, however, imperative that they "be more methodical and more systematic" when releasing their stockpile in order not to disrupt the Malaysian market, he said.

Datuk Musa also discussed with the delegation the Kampuchean issue and matters relating to Southeast-Asian stability.

He explained too the Internal Security Act (ISA) and the anti-drug laws.

CS0: 4200/887

CHINESE COMMENDED FOR CHANGE OF ATTITUDE

Kuching SARAWAK TRIBUNE in English 13 Aug 83 p 1

[Text] Miri, Fri.--The Chief Minister, Datuk Patinggi Haji Abdul Taib Mahmud, has commended the Chinese for having successfully changed their attitude from that of anti-establishment to that of co-operation and support.

He attributed this to the SUPP which had successfully rallied the support of the majority of the Chinese and brought them out of isolation and into co-operation.

Speaking at the opening of the SUPP's travelling cultural show in front of the District Office here last night, he praised the leaders of the Party for their far-sightedness.

He said these leaders had been courageous despite the initial hostility of some members who accused them of having forgotten the true objective of the party.

The Chief Minister was happy that they eventually realised that nothing could be achieved by remaining in the opposition where they could only shout themselves out.

He said their option to work hand-in-hand with the other parties had now enabled them to work effectively for the interest of the community.

Datuk Patinggi Haji Abdul Taib hoped that the party would continue to play their part in building a united, vibrant and promising Malaysian Society.

On culture, he allayed fears of not just the Chinese community but also others that they would be dominated by others.

In any case, he added no culture was "pure" unless the Society was stagnant.

Just Society

Earlier, the Minister for Communications and Works, Datuk Dr. Wong Soon Kai, said the SUPP could strive to bring about a stable, equal and just society in the country.

Datuk Dr. Wong who is also SUPP's Secretary General, traced the history of SUPP, the difficulties and the frustrations it had experienced as well as the sacrifices it had made.

The Member of Parliament for Lambir, Dr. George Chan, in his speech criticized the Opposition for creating issues to confuse the people in the hope of gaining sympathy.

Dr. Chan, who is also the Deputy Chairman of SUPP, was confident however that the people would not allow themselves to be easily hoodwinked.

The SUPP's cultural troupe, which performed dances of the various communities, was on the last leg of its tour of the Fourth and Fifth Divisions.

It had earlier visited Bintulu, Batu Niah, Limbang and Lawas.

Present at the function were the Minister for Local Government, Encik Joseph Balan Seling, the Assistant Minister for Welfare Services, Datuk Chia Chin Shin, members of Dewan Undangan Negeri and senior Government officers.

CSO: 4200/890

EDITORIAL CALLS PBB STABILIZING FACTOR IN SARAWAK

Kuching SARAWAK TRIBUNE in English 13 Aug 83 p 2

[Editorial: "PBB--The Stabilising Factor"]

[Text] Party Pesaka Bumiputera Bersatu--PBB--Will be holding its general assembly early next month and preparations are well underway to ensure the smooth running of the important event.

In the wake of the recent political developments in the state and rumours of impending general elections, politics once again becomes the dominant topic of conversations, and the excitement that such discussions generate is not restricted to aspiring politicians alone but also felt by the people generally.

As PBB is the pillar of the state Barisan Nasional Government--now Barisan Plus--its general assembly therefore is the focus of attention among the political circles especially. Questions are being asked, guesses made; who are contesting for what party posts, who are popular and who are the likely winners in the elections.

Already, according to press reports, there are several members of the party who have indicated their intention to contest for senior party posts, including that of Deputy President. (The President, as in the past, will be returned unopposed.)

And indications are that subtle campaigning is already being waged. While this is perfectly in line with democratic practice, it is worth noting that at the last UNMO elections the campaigning was so heated that the wounds caused then have yet to be completely healed. Even a strong and stable party such as UMNO cannot afford any disunity or factionalism, however superficial or momentary, for this surely will affect its role as the cornerstone on which the entire political strength of the political governments rests.

At the state level in Sarawak the PBB plays a similar role as UMNO at the national level. It is the stabilising factor in a political arrangement that has proved to work very well in Sarawak.

In fact the PBB is looked upon as the party from which other political bodies can well learn in terms of leadership, discipline, dedication and

organisation. That the Party has produced two distinguished Chief Ministers, first Tun Datuk Patinggi Haji Abdul Rahman Yakub and then Datuk Patinggi Haji Abdul Taib Mahmud, apart from their personal qualities, is a reflection also of the quality of the party itself.

At this stage of Sarawak's development, there is no doubt that a stable government is essential, and PBB can provide that stability.

It is in the interest of all concerned, therefore, that the various hopefuls will reconsider their positions in order to ensure the continuity of a good and healthy government.

With stability guaranteed the government will be able to seek a fresh mandate from the people and confident of victory to rule for another term.

CSO: 4200/890

SNAP'S 'DILEMMA' IN DEALING WITH PBDS DISCUSSED

Kuching THE BORNEO POST in English 13 Aug 83 p 1

[Article by R. Jarraw]

[Text]

KUCHING, Fri: —The inclusion of Parti Bansa Dayak Sarawak (PBDS) in the Barisan Nasional "Coalition" Government is obviously placing the Sarawak National Party (SNAP) in a dilemma.

Although SNAP was able to frustrate the entry of PBDS into the fold of Barisan Nasional now, it was unsuccessful in preventing "a group of well educated Dayak leaders who have banded together in a not insubstantial fashion from participating in the Government."

Naturally PBDS considers this as its "victory" saying that it is an indication of wisdom and a sense of good judgement, while SNAP leaders, feeling bitter, make it clear that they oppose the decision.

As an observer, I see that two choices are open to SNAP now: either to continue to remain in the Barisan Nasional together with PBB, SUPP plus PBDS thereby forgiving and forgetting the whole unpleasant episode of our political history, or to leave the Barisan Nasional and become an opposition party.

Judging from past statements, the moderate party leaders are prepared to "bury the hatchet" and abide by the decision of the State Barisan Nasional.

They feel that they still can fight PBDS from within the Barisan family. Furthermore, the party's withdrawal may affect not only their business concerns, but also the State political stability and progress.

However the hawkish members of the party have been considering the second option, as they feel that they are useless

in the Barisan Nasional.

They believe that they can do better by leaving the Barisan Nasional.

One of their strategies will be to accuse the new party of "selling" Dayaks to the Barisan Nasional. But the real reason for pulling out of Barisan Nasional is that a number of untested politicians want to have a go in the coming elections hoping to gain enough seats to form the next State Government.

On their own, they may not be able to convince the voters to support them. They need, however, the charismatic personality of SNAP former strongman Datuk Amar Dunstan Endawie.

But the big question is: Is Datuk Endawie prepared to lead SNAP once more, after he abruptly stepped down as President more than three years ago, thus precipitating in the present crisis?

Datuk Endawie, who is now in Kuching after an absence of more than a year following his defeat in the hands of another SNAP former strongman Edmund Langgu during the last parliamentary elections, is studying the political situation.

He has held several meetings with some of the most trusted men to discuss the pros and cons of remaining in the Barisan Nasional or pulling out from it.

How will Datuk Endawie solve the SNAP's present dilemma caused by his resignation in early 1981 is another question asked by many members of the public.

GOVERNMENT SUBSIDIES TO POOR TO BE REVIEWED

Kuala Lumpur NEW STRAITS TIMES in English 12 Aug 83 p 8

[Text]

THE GOVERNMENT will review its subsidies to ensure that such assistance benefits the poor and enable them to be more productive and self-reliant, Minister in the Prime Minister's Department Datuk James Ongkili said yesterday.

He told the Dewan Negara that the implementation and the rate of subsidies given out should be restructured for more effectiveness.

He was replying to Senator Haji Abdul Jalil Abdul Rahman who wanted to know whether it was true the Government intended to scrap all forms of subsidies, particularly those for the low-income groups in the rural areas.

Poverty

Datuk Ongkili said that the Government had no

intention of stopping all forms of subsidies to the rural people who had not benefited fully from development programmes.

He said subsidies amounting to \$1.2 billion allocated for the agricultural sector under the current plan would be continued.

"But the Government intends to review such assistance so that the target groups really benefit," he added.

The Minister also said that subsidies considered unsuitable and ineffective for eradicating poverty or those that did not benefit the larger society would be stopped.

"The review is also vital because the Government is determined to create a Malaysian society which is dignified and hard-working -- and not a society of beggars, lazy and dependent on others," he said.

CSO: 4200/889

THIRD COUNTRIES URGED TO ACCEPT 'BOAT PEOPLE'

Kuala Lumpur NEW STRAITS TIMES in English 12 Aug 83 p 8

[Text]

MALAYSIA will continue to press Third countries to accept all Vietnamese illegal immigrants to ensure the country is not saddled with "residual problems", Deputy Home Affairs Minister, Encik Kassim Ahmad, said yesterday.

He said the Government has also urged Third countries not to discriminate in the intake of Vietnamese because Malaysia does not adopt such an attitude when accepting them on transit here.

Replying to a supplementary question by Senator Abdul Razak Haji Abu Samah in the Dewan Negara, he said that some Third countries practised double standards when accepting immigrants for resettlement.

"I must admit some of the recipient countries are only interested in taking in professionals," he added.

He said Australia had accepted 31,665 Vietnamese from Malaysia up to June this year.

To the original question by Senator Abdul Razak Abu Haji Abu Bakar, Encik Kassim said the number of Vietnamese illegal immigrants as of June this year was 11,591 compared with 4,221 who had been resettled.

"The Government always strives to speed up the resettlement of Vietnamese illegal immigrants into Third countries. If we find the rate of resettlement dropping we will remind the UNCHR representative and Third countries so that they will speed things up," he added.

To a supplementary question by Senator Ibrahim Abdullah, the Deputy Minister said Malaysia was prepared to provide transit facilities as a mark of respect to the resolution of the international conference in Vienna in July 1981.

"The Government will continue to accept them as long as Third countries assure the Government they too will continue to accept Vietnamese illegal immigrants for resettlement," he added.

CSO: 4200/889

GOVERNMENT OPPOSES DEFENSE ROLE FOR ASEAN

Kuching SARAWAK TRIBUNE in English 12 Aug 83 p 1

[Text] Malaysia is against any move to convert Asean into a defence network, deputy Foreign Minister Encik Abdul Kadir Sheikh Fadzir said.

Asean members were not prepared to be military outposts in the forward defence line of foreign powers, he said at a forum on "US Foreign Policy in Southeast Asia" at the Universiti Sains Malaysia here yesterday.

Encik Abdul Kadir said: "Malaysia's policy was to avoid such bloc formation moves and reserve to the South East Asian people the freedom to determine the kind of bilateral defence cooperation to fight insurgency and banditry in border areas."

Encik Abdul Kadir said: That the Southeast Asia Treaty Organization (SEATO) had become defunct though occasional feelers were made in trying to convert Asean into a defence network.

The U.S., he said, had supported Asean and had friendly ties with most of Southeast Asia and had not involved herself militarily in the region since withdrawing from Vietnam.

The U.S. he said, could play a vital part in consolidating economic links with Asean and the infrastructure for such cooperation already existed.

Encik Abdul Kadir said however the U.S. should evaluate her relations with Asean and remove the "irritants that sour a relationships,"--like commodity releases of GSA stockpile and trade restrictions on Asean goods.

"Through trade and investment, the U.S. enabled Asean countries to fulfil the expectations of their people and thus blunt Communist appeals," he added.

Malaysia's Look East, Malaysia Incorporated and Privatisation policies, he said, gave an opportunity for U.S. businessman and industrialists to explore the investment potential of Malaysia and possibility technology transfer.

Others who spoke at the forum included the U.S. Ambassador to Malaysia, Encik Ronald Palmer, and Aliran President, Dr Chandra Muzaffar.

RAAF BEGINS PARTIAL PULLOUT FROM COUNTRY

Kuching SARAWAK TRIBUNE in English 11 Aug 83 p 2

[Text]

Butterworth, Wed. — A squadron of 14 Royal Australian Air Force (RAAF) Mirage jet fighters today left the Butterworth air force base for Darwin in a partial pull-out of the RAAF in Malaysia.

The fighter jets from the no. 75 Squadron took off in batches from the base at 9.15 a.m. The whole operation took about one hour.

Some of the RAAF crew members and their families lined-up near the airstrip and waved to the pilots as the aircraft taxied for take-off. Some were busy clicking their cameras to record the scene.

Squadron Leader Col. Les Edwards said about 100 crew members of the squadron and their families left in an RAAF 707 aircraft early this morning.

About 200 personnel and 400 members of their families were affected in the pull-out programme. Another 100 of them would leave next week, he added.

Col. Edwards said the jets would stop overnight in Singapore for refuelling before flying to Darwin

tomorrow.

Meanwhile, RAAFC-130 transport planes have been making two flights daily since Aug. 8 to ship out the squadron's equipment to Darwin. The planes will make 12 trips.

Col. Edwards said only one squadron, the "No. 3 Squadron" with 22 Mirage fighter jets and 700 personnel would remain at the base here.

KEY ELEMENT

The Australian Government is expected to decide in 1984 or 1985 whether to pull-out the remaining squadron. 75 squadron was deployed to Butterworth in May 1967.

During 1968 and early 1969 the squadron was twice deployed to the Republic of Singapore Air Force (RSAF) Tengah base for three months and operated as an independent self-sufficient unit.

The squadron was also a key element of the five-nation Integrated Air Defence System together with Britain, New Zealand, Singapore and Malaysia.

The squadron would be the first jet fighters to operate from the Darwin air force base. The squadron would also be reequipped with the latest McDonnell Douglas FA18 Hornet fighters in 1985.

Col. Edwards said that following the pull-out, the service of 172 local civilian RAAF workers would be terminated from Sept. 1. The RAAF now employs about 1,150 workers.

He said those retrenched were mainly the older workers who wished to be released first under the RAAF's agreement with the workers' union. They younger ones would remain and work with No. 3 Squadron.

STEPS TAKEN TO ASSIST SMALL BUMIPUTERA BUSINESSMEN

Kuching THE BORNEO POST in English 12 Aug 83 p 3

[Text]

KUALA LUMPUR, Thurs:— The Dewan Negara was told yesterday that the Government had taken several steps to assist Bumiputera small businessmen to obtain financial resources, to improve their management and overcome their technical, technology and marketing problems.

The Deputy Minister of Trade and Industry, Haji Muhyiddin Haji Mohd. Yassin, said financial institutions such as Mara, Bank Pembangunan and MIDF were escalating their activities to meet the financial requirements of these businessmen.

Bank Negara had directed banks to give out special loans to small traders to cover at least 12 per cent of loan applications which had not been approved.

Loan facilities were also given out through the credit loan schemes, guarantee schemes and special loan schemes.

To provide management expertise for small traders, he said the Government held courses through agencies such as the National Productivity Centre, Bank Pembangunan and Mara.

Haji Muhyiddin said agencies like

Sirim, Mardi and the Rubber Research Institute also provided advisory and other services to small traders facing technical and technological problems.

An Exhibition and Technological Reference Centre had also been set up to provide assistance involving technology.

He said several programmes had been prepared by the Government to enable small traders to market their products locally and overseas.

The Government was scrutinising its purchasing system to enable it to subsidise more of their products.

He said the Government would also set up a "sub-contracting" centre to encourage them to purchase components for production.

Haji Muhyiddin said the Government was studying the possibility of setting up an integrated marketing system for food producers to be handled by Fima.

To a supplementary question by Senator Datuk Haji Mohd. Nor Mohamad, he said his ministry would consider a proposal that borrowers be allowed to begin repaying their loans at least five years after beginning production.

ASEAN DIALOGUE STATUS FOR ROK FAVORED

Kuala Lumpur NEW STRAITS TIMES in English 14 Aug 83 p 1

[Article by M. A. Razman]

[Text] SEOUL, Sat.--Asean is likely to agree to South Korea being accorded dialogue partner status with the grouping, Datuk Seri Mahathir Mohamad said today.

Malaysia, on her part, fully supports the outstanding Korean request for this status, the Prime Minister told newsmen at a Press conference on his weeklong visit.

"Now it is up to our partners in the grouping," he said. When asked how the matter stands now, he said: "I think they will agree to have a dialogue with South Korea."

Keen

The Prime Minister said he and the other Asean leaders welcome Korea's keen interest in improving relations with Asean as the grouping is an economic organisation which feels relations with its trading partners can only be helpful.

Korea, with access to higher technology, is rapidly industrialising while Asean is a big market with some 250 million people, he said.

As an exporting nation, Korea would look to the Asean market and in the same way Asean hopes to export raw materials and manufactures to Korea.

Datuk Seri Dr Mahathir added that Asean would welcome closer Korean-Asean co-operation for the greater benefit of the two.

Korea made its request last year for dialogue partner status similar to those that Asean has with the United States, Canada, the EEC, Australia, New Zealand and Japan.

Asean Foreign Ministers had discussed the Korean request at two meetings since then. But, as is normal, Asean is expected to proceed gradually in according this status to Korea.

The grouping had expressed the need to define specific areas of economic co-operation before the matter can be finalised.

JOINT COMMUNIQUE SUPPORTS MALAYSIA'S 'LOOK EAST' POLICY

Kuala Lumpur NEW STRAITS TIMES in English 14 Aug 83 pp 1, 9

[Text] SEOUL, Sat.--President ChunDoo Hwan has pledged full support for programmes under the Look East policy and agreed to encourage the private sector to participate in Malaysian development.

A joint communique issued today at the end of Datuk Seri Dr Mahathir's week-long visit said President Chun had "assured the Prime Minister of the Government's co-operation towards making the policy a success".

Dr Mahathir in turn called for further participation by the South Korean private sector in Malaysian development efforts.

The statement said the Prime Minister in his talks with the Korean leader on Tuesday had briefed him on the Look East policy's objectives and action programmes.

He hoped it would lead to broader bilateral co-operation in fields like technical and industrial training, academic and technical education and the executive development programme.

He also hoped for linkages between training, research and academic institution as well as Government agencies of the two countries for mutual benefit.

The communique said the two leaders "also discussed ways of enhancing economic co-operation between the two countries particularly in the fields of trade and industry".

President Chun praised the Malaysian Government's achievements in economic and social development and assured continued "encouragement to the Korean private sector to participate in Malaysia's development programmes such as infrastructure projects and energy resources exploration".

The two leaders agreed to continue with the annual consultative talks between senior officials of the two countries as a means to foster closer bilateral ties.

They hoped the partial visa abolition agreement signed on Wednesday in Seoul would further promote exchanges between the two countries.

The Korean President accepted a renewed invitation from the King, conveyed by Dr Mahathir, to visit Malaysia.

The Prime Minister of Korea, Mr Kim Sang Hyup, has also accepted an invitation from Dr Mahathir to visit Malaysia. No date has been set.

On Asean-Korean co-operation, the two leaders "agreed to explore further avenues to increase mutually beneficial co-operation". South Korea is seeking dialogue partner status with Asean.

Malaysia, the statement said, has expressed support for efforts to make both North and South Korea members of the United Nations.

Dr Mahathir also explained Malaysia's stance that reunification of Korea should be achieved through peaceful means.

The Prime Minister also stated that the President's proposal for a summit among Pacific Rim countries deserves further consideration.

CSO: 4200/891

SNAP OPPOSES DAYAK PARTY'S APPLICATION TO JOIN 'BARISAN'

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 83 p 2

[Text]

KUCHING, Wed. — Sarawak National Party (Snap) listed six reasons why Parti Bansa Dayak Sarawak (PBDS) should not be accepted into the State Barisan Nasional according to their memorandum handed to Chief Minister Datuk Patinggi Haji Abdul Taib Mahmud this morning.

The memorandum signed by the party president, Datuk James Wong, its deputy, Mr Edward Jell, and secretary-general Joseph Balan Belling was given to the Press two hours after the State BN had met and accepted the PBDS under a newly devised system called "Barisan-plus Government".

It spelt out that admitting the party would be tantamount to "dishonouring the pledge made during the elections".

It said: "By allowing such an entry into the BN it will create a precedent and will encourage future dissidents of component parties of the BN to break away and form a new party and then seek entry accordingly."

"Their seats now in the Council Negeri and Parliament were secured through the nominations of SNAP and on BN tickets and finance."

"We should not encourage or allow a dissident racial group in the existing component parties of the BN to form small "mosquito" parties to join

the BN as a matter of right.

"The present BN still enjoys more than two-third majority in the Council Negeri and without admitting them into the BN the political situation is still stable."

Sanction

"Dayak representation in the Government is not adversely affected as Dayak interests are represented through SNAP, PBB and SUPP at both State and Federal levels."

SNAP's "no" to a coalition Government was based on the fact that it was temporary and only until such time that the people gave their verdict in the coming State elections.

It went on to say that to form a coalition Government would mean to acknowledge and sanction their claim (that they have the support of the people) which they have not proved.

The statement appealed to "fellow brothers" in the BN to support SNAP in its hour of need bearing in mind that "we have all along since 1976 swam so far and we hope that in the true spirit of the BN we will continue to swim together".

The memorandum also gave the background and events leading to Mr Daniel Tajem's expulsion on June 19 and the resignation en bloc of the other members until the announcement of the newly formed party.

BARISAN REJECTS DAYAK PARTY'S MEMBERSHIP APPLICATION

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 83 pp 1, 2

[Article by James Ritchie]

[Text] KUCHING, Wed.--The Sarawak Barisan Nasional (BN) has rejected the application by the newly-formed Dayak-based party, Parti Bansa Daya, Sarawak (PBDS), to join the coalition.

However, in order to maintain the status quo the State will have a Barisan Nasional-plus Government with the hope that this will lead to a solution to the present crisis in the near future.

Under this system Deputy Chief Minister Daniel Tajem, the PBDS protem deputy president (the president is Energy, Telecommunications and Posts Minister Datuk Leo Moggie) and Assistant Ministers Gramong Juna and Ambrose Gramong, both PBDS members, will remain in their posts.

Present Crisis

This was announced today by Sarawak BN chief Datuk Patinggi Abdul Taib Mahmud, who is also the Chief Minister.

"I cannot risk the idea of denying a group of well-educated leaders, who have banded together in a not insubstantial fashion, from participating in the Governmnet," said Datuk Patinggi Taib.

The decision followed objections from the Sarawak National Party (SNAP) for the PBDS to join the Barisan Nasional. Under the BN constitution, admittance of new members must be unanimously sanctioned by all the component parties.

The present crisis resulted from SNAP's decision to expel Mr Tajem, who was then one of the party's vice-presidents. This led to others leaving the party and announcing their decision to set up the PBDS.

SNAP now has one MP and six State Assemblymen while PBDS has seven MPs and 11 Assemblymen.

The Sarawak BN met for about three hours today under the chairmanship of Datuk Patinggi Taib. It was attended by leaders of the Party Pe-saka Bumiputra Bersatu (PBB), Sarawak United People's Party (SUPP) and the SNAP.

At the meeting at the Chief Minister's office, SNAP president Datuk James Wong handed a memorandum to Datuk Patinggi Taib, giving reasons why his party could not agree to the PBBs joining the BN.

"In view of this I have no choice but to make this decision," he told a Press conference at the end of the meeting.

Rejection

He stressed that the decision he had taken was based on the prerogative vested in him as Chief Minister in deciding "what is best for the State."

He said the PBBs should not feel left out by the rejection as it could always re-apply "when things get cooler."

The harmonious relationship between the races depended so much on "our ability to get everybody involved in the process of our Government."

"And it is because of this desire to make sure that participation is not in any way diminished since the SNAP crisis that I decided to maintain the status quo by having a Barisan Nasional-plus Government."

Datuk Patinggi Taib said PBBs represented the first outcrop of well-educated leaders from the native community who seemed to be attracted by one common desire to group together.

They had also made it clear that they wanted to be part and parcel in the process of decision making in the Government.

"I totally agree with this concept of trying to get leaders from major ethnic groups of our people to participate in the Government."

"This has been achieved to a certain extent, and I hope it can be achieved progressively in future," he said.

DAYAK PARTY TO REAPPLY FOR BARISAN MEMBERSHIP

Kuching THE BORNEO POST in English 14 Aug 83 p 1

[Text] KUCHING, Sat.--The Parti Bansa Dayak Sarawak (PBDS) plans to reapply for Barisan Nasional membership after its first application could not be accepted by the state BN due to opposition by SNAP, one of the three BN components in Sarawak.

PBDS protem president Datuk Leo Moggie said today the party did not regard its applications as being rejected.

He told a press conference the party was "in form, content, policy and spirit totally Barisan" and would reapply to join the Barisan Nasional "family."

Datuk Moggie, who is Federal Minister of Energy, Telecommunications and Posts, said PBDS took note of the Sarawak National Party (SNAP) objection to its application at the Supreme Council meeting of the state BN here on Wednesday.

He thanked leaders of the state BN from the Party Pesaka Bumiputra Bersatu (PBB) and Sarawak United People's Party (SUPP) for their support.

Protem leaders of the PBDS who include Encik Daniel Tajem, Sarawak Deputy Chief Minister, had their second meeting here last night to discuss registration of the party and the latest political developments in the state.

Saying that the PBDS door was open to all Dayaks who subscribed to the party's ideals, Datuk Moggie reiterated that his party was formed to ensure effective political participation and role to the people, especially from the Dayak community.

It would also "combine sincerely and dedicatedly" with all the communities in the country.

He also rejected the SNAP challenge that PBDS elected representatives resign from their seats won while they were in SNAP, saying that these were 'common' statements and 'we need not respond to them.'

SNAP had also called for early state election so that the new Dayak party could prove whether it had the support of the people and to this, Datuk Moggie

said SNAP was entitled to its opinions and 'we prefer to keep ours to ourselves.'

To a question, he said that for the moment, the PBDS would keep to 11 state seats and seven parliamentary seats it presently represented.

Asked on the possibility of other SNAP elected members wanting to join the PBDS, Datuk Moggie said he wished to reserve his comments on the matter at this stage but added that "in a new set-up like this there will always be possibilities."

He also said that the party's application for registration had been received by the Registrar of Societies and was being processed.

Also present at the press conference were Encik Tajem, who is the PBDS protem Deputy President and other PBDS leaders including Encik Edmund Langgu, the Member of Parliament for Saratok and Encik Patrick Anek Uren, the Member of Parliament for Mas Gading.

CSO: 4200/891

AGREEMENTS ON VISA, TECHNOLOGY TRANSFER, JOINT VENTURES SIGNED WITH ROK

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 83 pp 1, 2

[Article by M. A. Razman]

[Text]

SEOUL, Wed. — Malaysia and South Korea have signed a visa agreement, one of the three agreements concluded today to put substance into the Look East policy.

Under the visa agreement, tourists and businessmen from Malaysia to South Korea and vice versa will be exempted from visa requirements for up to three months.

The second was a memorandum of understanding between Bank Pembangunan Malaysia Berhad (BPMB) and the Korean Technology Advancement Corporation (KTAC) to facilitate the transfer of technology to Malaysian companies.

The third agreement was for a joint venture between Seraya Sdn Bhd of Perak and Yong Dong Chemical Company to produce formalin and adhesive resin for domestic and export purposes.

Expertise

Minister in the Prime Minister's Department Datuk Abdullah Ahmad Badawi signed the partial visa abolition agreement for Malaysia at the Foreign Ministry while Foreign Minister Lee Bum Suk signed for South Korea.

Under the agreement, Malaysians and Koreans can visit each other's country

without a visa for a stay of less than three months.

Visas would, however, be required if they wish to work, take part in sports events or have entertainment contracts in Malaysia.

Datuk Abdullah said the agreement would be effective in a month's time. It is expected to boost bilateral visits and boost trade and economic relations between the two countries.

The BPMB pact with KTAC provides for the bank to act for the sale, licensing, purchase or development of technology already under patent to KTAC or from its major shareholder, the Korean Advanced Institute of Science and Technology.

Datuk Abdullah and Korean Science and Technology Minister Dr Lee Chou-Goh witnessed the signing by Bank Pembangunan deputy chairman Haji Halim bin Tan Sri Osman and KTAC president Dr Young Oh-Ahn.

Under the agreement, Bank Pembangunan will identify projects that could use technology from KTAC, help clients set up the projects and set them up itself.

KTAC will help translate technology into practical applications, carry out pre-feasibility studies, help set up joint ventures and provide technical expertise for them.

Datuk Abdullah said the

signing of the memorandum of understanding between the two agents of development in the two countries would provide the impetus for industrial co-operation between the two countries.

He said in view of the intensive competition in trade and industry to win new markets, new technologies had to be developed.

Export

He said Malaysia needed South Korean help and co-operation in research and development even though such work had been done in Malaysia.

The bank and KTAC have already identified two specific projects under their co-operation pact for possible joint ventures — manufacture of freon gas for refrigerants and the making of intravenous fluids.

The Seraya-Yong Dong joint venture will be aimed at producing formalin and adhesive resin for Malaysian plywood and synthetic resin mahors and for export.

The joint venture plant costing US\$19 million (M\$8.7 million) will be set up by Yong Dong with production expected by the end of 1984.

Seraya managing director Haji Taib Abdul Hamid said the plant would be set up in Kampung Acheh, Biliawan.

PM ASKS KOREA'S HELP IN INDUSTRIALIZATION

Kuala Lumpur NEW STRAITS TIMES in English 11 Aug 83 p 2

[Excerpt] SEOUL, Wed.--Datuk Seri Dr Mahathir Mohamad today began a four-day series of talks with Korean businessmen by calling on them to diversify their activities in Malaysia and to become partners in her industrialisation.

The Prime Minister urged them to move on from construction contracts to joint venture industries, trade in manufactured goods and relocation of low-technology industries in Malaysia.

He made the call when addressing a lunch in his honour hosted by the Korean Federation of Industries, Korean Chamber of Commerce and Industry, Korean Federation of Small Businesses and the Korean Trade Association.

Datuk Seri Dr Mahathir said Malaysia welcomes foreign investors not to invest solely for profit motives but also to actively participate as partners in development.

Korean companies will still have more opportunities in building infrastructure facilities such as bridges, highways, housing, hydro-electric dams and other civil works, as development is accelerated.

"I should, however, state that your involvement in Malaysia should not end with this kind of operations alone. You may consider what industries you could promote with the raw materials that Malaysia has--timber, rubber, tin, palm oil, cocoa and petroleum--to produce products not only for domestic use but principally for export," he said.

He also pointed out the example of the furniture industry in Korea which has to import all its timber needs from Malaysia. He said it would make more sense to relocate Korean wood-based industries in Malaysia.

In Malaysia, the supply of timber was abundant; and using the available reliable workers they could produce furniture to supply markets the Korean industries had created, with considerable savings and greater gains.

"I would also like to encourage the general trading companies to expand the existing trade between our two countries. You should not limit it to import

of commodities and raw materials and exports of steel, cement and the like," he said. "You should extend them to other manufactured goods."

Technology

The Prime Minister added that as Malaysia industrialised, there will be a demand for a whole range of products and he suggested they should consider all these possibilities.

He noted that some Korean firms were now consolidating domestic operations.

"But eventually, I hope to see your greater participation...in Malaysia's industrial growth."

Datuk Seri Dr Mahathir hoped that in venturing into Malaysia they would contribute to improving the level of technology in Malaysia and train Malaysians to ensure a constant flow of technology.

He suggested that they could help the two Governments cope with burgeoning bilateral economic interaction by improving existing shipping and air services between the two countries.

CSO: 4200/888

KOREAN FIRM TO BUILD HOUSES IN SABAH, SARAWAK

Kuching THE BORNEO POST in English 10 Aug 83 p 14

[Text]

KUALA LUMPUR, Tues:—

Samwhan Corporation of South Korea plans to expand its operation into Sabah and Sarawak to take advantage of the growing construction sector in the two states.

The company hoped to venture particularly in the development of public housing projects in the two states through its locally incorporated subsidiary, Samwhan Corporation (M) Sdn. Bhd.

Samwhan general manager here Encik K. H. Yoon told Bernama Economic Service that the well-diversified construction-based company hoped to undertake pre-fab housing project for the Miri local government.

He said negotiations for the proposed project with the Miri authorities were underway. He, however, declined to disclose the details.

Encik Yoon added that the company officials would soon be holding talks with other government bodies and private businessmen in the country to discuss business opportunities.

Samwhan, he said was willing to transfer its latest technology and expertise on system housing and other building techniques to the local building industry.

Samwhan, the oldest and one of the leading Korean companies, recently secured a \$73 million contract to construct the Selangor Dredging's commercial complex in Jalan Ampang.

The contract is the first for Samwhan in Malaysia since it set-up a representative office April last year.

Samwhan beat nine others including a foreign firm to secure the deal. It submitted the lowest tender and

shortest completion time of 24 months compared to 36 months by some others.

Encik Yoon said that Samwhan was looking for a suitable local partner to participate in its local subsidiary company.

It has approached a local Bumi-owned architect firm to join the subsidiary.

He said the subsidiary would have some 30 per cent local interest by 1985 and later raise to 70 per cent by 1990.

Encik Yoon said some 22 Korean engineers and technical staff were currently involve in the Selangor Dredging project.

He added that some 80 locals were engaged in the building project.

However, the company was facing difficulties in recruiting Bumiputera engineers for the project.

EDITORIAL STRESSES ROLE OF NEWS MEDIA IN COMMUNICATIONS POLICY

Kuching SARAWAK TRIBUNE in English 15 Aug 83 p 2

[Editorial: "National Communications Policy"]

[Text] In drafting the National Communications Policy, Information Minister Datuk Seri Adib Adam has said, there are six important factors that have to be emphasised.

These factors, he said, are those that could help create a united, democratic, just, liberal, progressive and informed society. In other words, the information media, whether it be radio, TV newspapers or magazines, has a greater role than merely informing its audience of what is happening in the world around them. Rather than merely reporting the various happenings, the information media should be capable of interpreting them in such a way as to ensure that their full importance is understood.

When we consider the matter of unity, it is important that the news media always takes great care not to broadcast anything that may be derogatory towards any of the various races or religions in the country. Rather, efforts should be made to explain the customs and beliefs of the various peoples in the country in order that this will help the people understand each other better, thereby eliminating suspicions and distrust.

When we consider the matter of democracy, it is important to bear in mind that western-style democracy is not necessarily good for Malaysia and nor should it ever be thought that such a form of democracy is ideal--far from it. Democracy must be tempered to suit conditions in each country and in Malaysia that means, basically, that the racial makeup of the country and the need for consultation rather than confrontation must always be borne in mind.

The mass media can play a very important role in the cause of development by helping the government bring about a mental revolution in the minds of the people and thereby encouraging them to adapt to new ways and to take advantage of the many opportunities presented to them.

In informing the people, the mass media is able to play a role in helping to disseminate and explain to the people various government policies and actions so that, in this way, the people will understand just what the government is trying to do and how they, as individuals, fit in to the scheme of things.

The mass media can also educate the people by telling them about what is happening elsewhere in the world. The reports of the recent riots in Sri Lanka, for example, can indirectly educate the people about the absolute necessity for maintaining racial harmony in the country, for these riots have demonstrated just how much damage can be done when racial harmony disintegrates.

It can be seen then, that the mass media in Malaysia has an extremely important role to play, unlike in western countries where the mass media often does far more harm than good with its frequent emphasis on lurid stories published solely to attract more readers in order to reap greater profits.

CSO: 4200/892

PREPARATIONS FOR MANUFACTURING MALAYSIAN ASSAULT RIFLE DESCRIBED

Bangkok BANGKOK POST in English 25 Aug 83 p 4

[Article by Robert Mahoney]

[Text]

KUALA LUMPUR

AN assault rifle stamped "Made in Malaysia" could be on the market by the end of the decade if plans now on the drawing board survive government budget cuts expected this October.

The rifle would be the first modern infantry weapon manufactured in Malaysia, which defence sources say is lagging behind its neighbours in arms production.

The Government has set up a task force to look into the project, which has already aroused the interest of 17 foreign arms manufacturers.

One of them will be chosen to work with the government-backed Heavy Industries Corporation of Malaysia to turn out the rifle, which is expected to fire standard 9.56-millimetre bullets.

The reasons for embarking on a nationally-produced rifle are largely military rather than economic, the sources said.

Malaysia could probably buy the arms more cheaply on the highly competitive world market but it wants the security of uninterrupted supply which only a locally-based industry could give, they said. Even a tie-up with its ASEAN partners has been ruled out for this reason, they said.

"In theory we could have bought from Singapore," said Saufi Abdullah, executive director of the Heavy Industries Corporation and chairman of the task force.

"But for many reasons that is impossible, not least because we

want to be self-reliant," he said.

This echoes statements from the Ministry of Defence which has stressed the need for independence.

"We realise that Malaysia should have a certain industrial defence capability as part of the nation's self-reliance policy," Deputy Defence Minister Abang Abu Bakar told a local newspaper recently. "The Government has now identified the assault rifle as one of the strategic items we need. In times of war, erstwhile friends can become our enemies or choose to remain neutral, and our arms supplies can be cut."

Malaysia's 90,000-strong armed forces are equipped with US-made M16 which fire a high-velocity 9.56-millimetre bullet.

A local firm, Malaysia Explosives, already manufactures 9.56-millimetre ammunition but some military experts believe the factory would have to be upgraded if it were to become the sole supplier of rounds for the Malaysian rifle.

STUDY

If the project gets the go-ahead after October, it could still take five years before a Malaysian infantryman fired a shot from the new weapon, Mr Saufi said.

The task force had just short-listed five foreign companies and asked them to produce a feasibility study, he said.

The firms are Sterling Armaments of Britain, Heckler and Koch of West Germany, Fabrique

Nationale Herstal of Belgium, Famas of France and Steyr Daimler Puch of Austria, he said.

Noticeably absent are American manufacturers, who would not agree to the equity terms and other conditions sought by the Malaysians.

Heavy Industries Corporation would demand a majority holding, probably 70 per cent, in any joint venture, and the prospective foreign partner would have to undertake to export a proportion of the locally-made rifles, defence

sources said.

This could prove difficult for some of the firms, whose customers might prefer to buy directly from the parent company rather than Malaysia.

But the Government, which has recently embarked on a privatisation policy for other industries, wants the project to be profitable, Mr Saufi said.

"This means looking to the export market because the domestic market, the Malaysian armed forces, is relatively small," he said.

The sources estimated that total requirements of the three armed services, the territorial army and police would be between 250,000 and 300,000 weapons depending on the number of rifles the Defence Ministry decided to hold in reserve.

But the new company might not exactly be flooded with orders since the Army, its main customer, cannot afford to replace its M16 until about 1990, the sources said.

Mr Saufi said the Government wanted to bring in the private sector rather than run the project on the lines of a state ordnance factory.

He said he hoped that some components for the new rifle could be bought from local manufacturers, with only high-technology parts such as the barrel and rifling coming from the foreign firm.

Eventually, the skill and know-how needed to make the entire rifle could be transferred to Malaysia, he said.

Military sources, however, believe it could be a long time before overseas firms reveal all the secrets of manufacturing processes developed over many years.

CSO: 4200/892

PRIME MINISTER FAVORS 'INDUSTRIALIZING COUNTRY' STATUS

Kuching SARAWAK TRIBUNE in English 10 Aug 83 p 2

[Article by S. Sivaselvam]

[Text]

Seoul, Tues. — Malaysia prefers to be with bracketed together South Korea, Taiwan and Singapore in being known as a member of the group termed as new industrialising countries, says Datuk Seri Dr Mahathir Mohamad.

He however calls such labelling as unfortunate because "the moment you receive this kind of label, the old industrialised countries tend to gang up against you."

"But if you need a classification, that would be the kind of classification that would fit us—with the Republic of Korea (ROK), Taiwan and Singapore," he adds in an interview published in a special supplement in today's edition of the Korea Herald Newspaper.

He had been asked whether, thinking in broad economic terms, there is a "bracket" into which international financial people should mentally fit Malaysia.

Both the Herald and the other English-language newspaper here,

the Korea Times, carried full colour, multi-page supplements to mark the Prime Minister's week-long visit to South Korea from yesterday.

The articles included a profile of Datuk Seri Dr Mahathir, explaining in detail Malaysia's "Look East" policy, the investment opportunities and incentives available in Malaysia, and the country's development in various fields over the years.

In the interview the Prime Minister also says that by the Fifth Malaysia Plan (1986-1990) Malaysia will have some of the major industries going—steel, engines, paper and metal industries—and the main thrust will be to expand them.

"We will also be going into higher technology areas, and looking into production of more sophisticated goods," he adds.

"At the moment we are producing the basic components (in these areas), and we need to go further into the production of the completed

products."

He expects Malaysia in 10 years to be fairly well on its way to becoming an industrialised nation — "We will certainly be very well diversified in terms of sources of revenue, and the like."

Datuk Seri Dr Mahathir also explains the reasons for the "Look East" policy and the strive towards a clean, efficient and trustworthy government.

Asked whether Looking East also entails a reorientation in Malaysia's borrowing practices and marketing methods, he says Malaysia has already been having a "very useful" line of credit from Japan at very low rates for many years now, as well as a positive trade balance against Japan.

What Malaysia likes to do, though, is to sell more of its manufactured goods to Japan, perhaps the kind of products that need a lot of labour input and manualexterity.

He also explains why the Tin Producers Association is a viable proposal and says that with the proper market information, "provided we're not greedy," we can make the producers association work—not to the detriment of the world but to the producers benefit in that they do

can stop having to suffer the frequent fluctuations in the commodities market.

Told that the Aluminium Producers Association was frequently cited to back the argument that producer organisations hardly ever work, Datuk Seri Dr Mahathir says the aluminium situation is not one in which a few countries produce 80 per cent of all the metal mined.

"It's a very messy sort of thing, whereas tin is very neat—it's found almost exclusively in four countries, the market is known, the substitutes are known, and we can gauge the price that will keep tin competitive," he adds.

Asked how Malaysia expects to maintain the strong rates of growth, around eight per cent a year in real terms, to meet the goals of the Fourth Malaysia Plan, in view of the world recession, the Prime Minister says the country is looking to internal growth much more than to growth from industries related to export trade.

He explains the "very big" potential for internal growth, including the fact that the field for import substitution has not been exhausted yet.

PACT EXPECTED TO RESULT IN TECHNOLOGY TRANSFER

Kuala Lumpur NEW STRAITS TIMES in English 10 Aug 83 p 2

[Text]

SEOUL, Tues. A major breakthrough in acquisition of technology for Malaysian industries is expected to result from the signing of an agreement between the Bank Pembangunan Malaysia and a Korean technological body here tomorrow.

BPM deputy chairman and chief executive Haji Salim bin Dato Osman and Korean Technology Advancement Corporation (KTAC) president Dr Young Ok Ahn will sign a memorandum of understanding to set up co-operation on technology development.

By-products

The ceremony will be witnessed by Minister in the PM's Department, Datuk Abdullah Ahmad Badawi, who is in charge of the Look East policy under which the technology transfer breakthrough has been achieved.

KTAC is involved in promoting research and development, sales, licensing and purchase of Korean as well as foreign

technology including technical and managerial assistance in translation of new technologies into practical applications.

It also sells prototype equipment and by-products from the Korean Advanced Institute of Science and Technology (Kaist) which is KTAC's major shareholder.

A bank spokesman said that under the pact, KTAC will help in translating new technologies into applications and provide technical and managerial assistance to projects identified by Bank Pembangunan or its clients.

The Korean organisation would also help to identify new viable projects that could be set up in Malaysia using technologies and knowhow presently patented by KTAC.

The KTAC would also help prepare pre-feasibility studies, help set up joint venture industrial projects in Malaysia and sell, licence or purchase technology on request.

The spokesman said

the bank hopes to identify and assist Malaysian entrepreneurs who wish to set up joint ventures with South Korean firms with KTAC acting as the intermediary for the Korean companies.

As a first step, the BPM and KTAC have identified two projects for implementation — one in production of freon gas used in refrigerants and another for setting up a firm to produce intravenous fluids.

Freon gas is used in air-conditioning, aerosol propellants, plastics and low temperature solvents.

Establishment of a medium-sized freon plant is envisaged under a joint venture.

In the case of the intravenous fluids used in hospitals, the Health Ministry produced some 3.2 million bottles out of the five million needed annually. A private limited company is being proposed, with a Malaysian entrepreneur expected to take up half the share capital.

ROK TO CONSIDER RELOCATING INDUSTRIES TO MALAYSIA

Export Quotas Utilized

Kuala Lumpur NEW STRAITS TIMES in English 10 Aug 83 p 1

[Article by M. A. Razman]

[Text]

SEOUL, Tues. — South Korea has agreed to consider relocating in Malaysia Korean industries which had exhausted Korean export quotas to various developed countries.

Prime Minister Datuk Seri Dr Mahathir Mohamad proposed this in talks with his counterpart, Mr Kim Sang Hyup, in official talks this morning.

A Malaysian spokesman said the Korean Prime Minister promised that the proposals would be considered favourably.

The spokesman said the proposals were discussed in the context of Korean investments in export-oriented joint ventures in Malaysia.

They also discussed how such ventures could exploit under-utilised Malaysian export quotas as a way to circumvent protectionist quotas imposed by developed nations.

The spokesman said Datuk Seri Dr Mahathir urged the Koreans also to sell goods in the Malaysian market instead of just handling construction jobs.

\$1 billion jobs

He told the Koreans to try to sell their equipment and heavy machinery in Malaysia too.

The spokesman explained the Prime Minister's proposals on relocation of Korean industries would not involve manufacture of items already being produced by Malaysian factories.

The Prime Minister explained to his counterpart that the balance of trade and payment was in Korea's favour and not the other way round, as believed.

Korean contractors won about \$1 billion worth of jobs in Malaysia last year and, with other invisibles, turned the balance in Korea's favour.

Datuk Seri Dr Mahathir explained the Look East policy and hoped for greater Korean

involvement in the implementation of the policy.

Mr Kim gave an assurance that Korea would assist in ensuring the success of the policy, adding this could best be achieved on the basis of give and take.

The Prime Minister also held talks with Kore-

an President Chun Doo Hwan in the afternoon.

The Malaysian spokesman said the two leaders discussed the need for bilateral cooperation and areas in which this could be done.

Joint Ventures Discussed

Kuala Lumpur NEW STRAITS TIMES in English 10 Aug 83 p 2

[Text]

SEOUL, Tues. — Malaysian businessmen who are here for the Prime Minister's visit are discussing several joint venture possibilities, primarily in rubber and wood-based products, and a few deals may be concluded by the end of the week.

These projects would basically involve Korean intermediate technology and Malaysian resources for export-oriented factories located in Malaysia.

In addition to Korean technology, the joint ventures, if formed, would also exploit Korean export know-how combined with some marketing advantages possessed by Malaysia.

According to members of the private sector team, numbering some 40 businessmen, at least one joint venture agreement has been finalised and will be initiated this week. Details are not available yet.

Several companies, including Sime Darby, are exploring possible joint ventures in knock-down furniture using Malaysian timber and Korean technology which has won an international reputation and market.

A Pahang company is said to be exploring a joint venture in rubber-wood based products.

The Amanah Saham Pahang and Samick Furniture Company of Incheon signed a memorandum of understanding in June for the manufacture of knock-down furniture in Kuantan during Menteri Besar Datuk Najib Tun Abdul Razak's visit here.

Another deal was concluded between the Pahang State Economic Development Corporation and Samick for pre-fabricated housing in the State.

Finance

The Malaysian businessmen are meeting the Korean Federation of Small Businesses on Thursday. Many KFSB members are said to be

keen in investing in joint venture projects in Malaysia.

However, many of these small businesses face difficulty in securing finance for overseas investment because of rigid regulations governing foreign venture finance.

The Heavy Industries Corporation of Malaysia (Hicom) is studying the state of the Korean automotive components industry to see how Korean components could fit into the Malaysian car project.

Hicom itself is not likely to talk joint venture deals with the Korean automotive people. However, it is gathering information so that when Malaysian companies go into joint ventures with Korean or other companies to make components, Hicom would be able to assist.

Other members of the private sector team are exploring possibilities of industries such as marine engineering, rubber products and packed foods.

Bank Bumiputra chair-

man Dr Nawawi Mat Awin is scheduled to meet the Korean Finance Minister tomorrow and problems related to financing of Korean joint ventures in Malaysia could be raised.

The Malaysian Overseas Investment Corporation (MOIC) people could also be interested in helping facilitate pro-

jects if they are going to generate exports from Malaysia.

In the negotiations between Malaysian and Korean companies, discussions are also expected to be held on training of Malaysians in the relevant technologies. This could be either in-house or institutional under Government supervision.

Editorial on Relocating Industries

Kuching SARAWAK TRIBUNE in English 12 Aug 83 p 2

[Editorial: "Export Quotas"]

[Text] Most of the developed countries talk very stridently about the need and virtues of free international trade but when they do so they are usually thinking about the export of their own products to other countries. When, on the other hand, the talk turns to their taking in imports from elsewhere, they adopt a different tone and start telling the world about how essential it is that certain of their industries be protected from 'excessive' imports or how they are having a balance of payments problem and so on.

One of their favourite tactics is to impose quotas on the import of certain items in order to regulate the inflow of such items in a manner that will ensure that their own industries remain protected from the free trade they are so fond of promoting in theory though not in practice.

In many cases, one country is able to fulfill its export quota with the greatest of ease while another country finds that the quota allocated to it is beyond its ability to fill. In the case of South Korea and Malaysia, for example, the South Koreans find that the quotas allocated to them are insufficient while Malaysia, on the other hand, is not always able to take full advantage of every quota allocated to it.

To overcome this problem, the Prime Minister, Datuk Seri Dr Mahathir Mohamad, has made an extremely ingenious suggestion to the South Korean government. His suggestion is that the South Koreans should relocate to Malaysia those of their industries which have exhausted their quotas, provided that Malaysia has unfulfilled quotas in these particular industries.

The beauty of such a suggestion is that those South Korean industries which are more advanced than Malaysia's can take advantage of Malaysia's quotas by manufacturing their goods within Malaysia. Malaysia, on the other hand, will benefit through the foreign investments made by the South Koreans and from the jobs and revenue that are created. In such a manner, both Malaysia and South Korea will benefit considerably.

The South Koreans have promised that this proposal will be given favourable consideration and indeed it is highly probable that many South Korean

manufacturers will waste no time in investigating the advantages of following the Prime Minister's suggestion.

It will be interesting, therefore, to watch and see what the outcome of this suggestion will be. With luck and good fortune, we can expect to see an increase in the amount of South Korean investment in Malaysia which will be beneficial to Malaysia in numerous ways and will help the country to progress and develop.

South Korean Firms Interested in Investing

Kuala Lumpur NEW STRAITS TIMES in English 14 Aug 83 p 9

[Text] SEOUL, Sat.--South Korean businessmen have made several proposals for investment in Malaysia during talks with Prime Minister Datuk Seri Dr Mahathir Mohamad.

The Prime Minister told a Press conference on his week-long visit which ends tomorrow, that this was one of the major achievements of his visit.

"The most important result of this visit, other than forging better relations with Korean leaders, was the talks I held with Korean businessmen, entrepreneurs and industrialists," he said.

"They are very keen on Malaysia and we managed to convince them of the need to not only go for construction jobs but also to invest in Malaysia," he said.

"They received this very well and have made several proposals which I feel are reasonable and which can succeed," he said.

Datuk Seri Dr Mahathir met officials of 17 South Korean corporations who called on him on Wednesday and today at the Shilla Hotel where he is staying.

He said a number of Korean companies were interested in bidding for construction jobs in Malaysia and he felt that it would be better for them to have partnerships with Malaysian companies.

Local Laws

"They will have a better chance of winning such contracts because like all countries, we favour local companies or those with Malaysian partners," he said.

On investment in manufacturing companies, Datuk Seri Dr Mahathir explained it would be more beneficial for Korean companies to go into manufacturing with local partners.

"The Malaysian companies will have access to raw materials, sites and services and have knowledge of the local laws and other things needed for such ventures to succeed," he explained.

"Joint ventures between Korean and Malaysian companies would be more likely to succeed. No doubt we allow 100 per cent foreign ownership but this is in limited areas such as high technology for wholly export-oriented production in free trade zones," he said.

But Korean companies which wish to sell made-in-Malaysia products on the local market will need to have local participation.

CSO: 4200/887

PRIME MINISTER EXPLAINS VIABILITY OF AUTOMOBILE PROJECT

Kuala Lumpur NEW STRAITS TIMES in English 14 Aug 83 p 9

[Article by M. A. Razman]

[Text]

SEOUL, Sat. — The Korean experience in setting up a car manufacturing industry proves that countries like Malaysia can successfully produce their own cars even with small runs and a little tariff protection.

"In order to produce cars you don't need to produce 300,000 cars. With a little protection, 12,000 cars would be enough," Datuk Seri Dr Mahathir said at a Press conference at the end of his week-long visit to Korea.

He pointed to the example of the Daewoo Motor Company in Puyong here they were even able to export their cars to foreign markets where they competed without protection against other brands.

"So it is possible to have small runs even in car-making, and protection is nothing new," Da-

tuk Seri Dr Mahathir said, pointing to various examples of protection of motor vehicle industries in the West.

Protection of domestic industries, he said, was not the prerogative of big industrialised countries.

Even if there was tariff protection for the Malaysian car, it would not penalise the consumers. In the short run, they may have to pay more but in the long run Malaysian consumers would gain.

Protection

He pointed out the case of Hyundai Motor Company in Ulsan who he said plans to increase production capacity soon from 120,000 to 300,000 cars a year.

"For them, 100,000 is not efficient but producing 300,000 is more efficient. But they had to

start somewhere and they had to be protected for a start," he stressed.

"We in Malaysia are at the beginning of our car industry. After some time, we expect to achieve the same efficiency as Japan or the United States," the Prime Minister said.

In a veiled reference to the American protection of her uncompetitive car industry, he said some efficient companies can later become inefficient and then seek tariff protection.

"But I wonder why so much attention is focused on the possibility of tariff protection for the Malaysian car," he added. The question had been asked by the *Asian Wall Streets* Seoul correspondent James Schiffman.

The Prime Minister and his delegation toured the Lotte and Shinsegae Department Stores in downtown Seoul this evening.

HUNT FOR OIL WANES IN SABAH, SARAWAK

Kuala Lumpur NEW STRAITS TIMES in English 10 Aug 83 p 19

[Article by Sohan Das]

[Text]

THE hunt for new oil fields in Sabah and Sarawak is on the wane. From a record number of nine Shell oil rigs dotting the Sabah and Sarawak coastline last year, the figure has dwindled to a mere three now. Out of these, two of them, Jumbo and Charley Graves are in Sarawak and R.J. Stewart in Sabah.

The six rigs which have made their exit from the scene are Aquarius Star, Margie, Sedco Alfa, Trident, Dawood Ice and Aquadrill.

Investments

Aquarius Star and Margie operated in Sarawak, while Dawood Ice and Trident were Sabah-based. Sedco Alfa and Trident operated in both States.

Oil industry sources said the cut-back was not confined to Sabah and Sarawak. "Elsewhere the situation is the same due to the slump in oil prices," they said.

They said this would explain why there were so many oil rigs 'jobless' these days. It is reported that out of the world's 600 or so jack-up oil rigs about 120 are laid up. And the harbour office here confirmed inquiries that one drilling barge is

to be laid up in Brunei Bay in the next two months.

Just how long will the exploration slowdown last? This will depend on when oil prices will recover or when oil companies are able to reap sizeable profits from their activities. A brochure issued by Shell on capital expenditure, reads:

"The oil industry's ability to finance expenditure of great magnitude and to attract capital from the financial markets, is entirely dependent on the industry's ability to generate sufficient profit and returns from its investments."

The brochure adds that to drill an offshore well in Sabah costs \$7 million, and since the signing of the first Production Sharing Agreement with Petronas in 1978, Sabah Shell has committed approximately \$1.6 billion on exploration and development of offshore fields and ancillary facilities. Actual investments in 1980 were \$160 million and in 1981 \$250 million.

The departure of the oil rigs, however, has not economically affected the island to any great extent. As the rigs were largely manned by foreigners, their presence was hardly felt here.

The only effect the departure of the rigs has had is that there are fewer supply boats calling

here to pick up oil well drilling chemicals. At this time last year there used to be 14 supply boats — now the number is only half. With lessened activity imports of cargo related to the industry also dropped.

Most of the oil rigs received their supplies from the floating warehouse, Cebu Giant, which is anchored at the harbour here.

Will any of the six departed rigs return when circumstances in the oil industry change for the better?

Industry sources said what was more likely was that in future rigs with a Malaysian equity involvement would stand a more favourable chance of securing jobs.

Output

They say that hints of such a trend were visible in the recent moves made by Petronas on the exploration sector. Petronas now has its own rig — Parameswara — operating off Kuala Terengganu. Oilmen see such rig ownership by Petronas as paving the way for more Malaysian participation in the sector.

Oil rigs are expensive to own but when on charter the profits are lucrative as charter rates for rigs run between US\$30,000 to US\$50,000 (about \$20,000 to \$115,000)

per day depending on the facilities available on the rig.

While the exploration front in Sabah may have lost much of its roar, new developments are replacing the loss. These relate to the laying of a submarine pipeline to transport tapped gas from three oil fields namely, Bemarang, Erb West and Ketam.

A special pipe-laying barge, KP-1, is here to do the preliminary work. The transported gas will be connected to a gas grid complex for distribution to the \$1.3 billion Spongs Iron and Methanoyl plants now under construction here. The two plants are expected to be fully operational by 1983.

On the crude oil export front, Sabah's output has also been on the increase. According to figures from the Statistics Department in the first three months of the year exports amounted to 1,061,334 tonnes valued at \$579.5 million compared with 879,255 tonnes valued at \$526.9 million for a similar period last year.

This increase has largely been made possible by the additional crude storage capacity of the oil terminal at Kiasman here. Shell originally had three storage tanks, each with a 450,000-barrel capacity. It added another storage tank last year. The new tank was to accommodate the coming on-stream of crude from the Erb West, St Joseph and Barton fields.

PROPOSED LAWS TO CONTROL CHEMICAL TOXIC DISCHARGES STUDIED

Kuching SAPAWAK TRIBUNE In English 9 Aug 83 p 2

[Text] **Serdang, Mca. Bernama:**— The government will introduce regulations next year to control chemical toxic discharges and household toxic discharges. Science, Technology and Environment Minister Datuk Amar Stephen Yong said today.

The Ministry was now studying the proposed regulations.

He told Bernama after opening a five-day course on safety in chemical laboratories organized by the Malaysian Institute of Chemistry (IKM) at University Pertanian Malaysia here that the ministry had evidence that some factories were releasing toxic discharges and action would be taken to stop it.

He admitted, however, that the implemen-

tation of the regulations governing household discharge would be difficult in view of the public's lack of knowledge.

He said some of the discharges came from shops and garages in housing estates with high population density.

APPEAL

Earlier, in opening the course, he appealed to voluntary organizations to help the government promote safety consciousness among workers and the public.

He said the enactment of safety standards or laws were no guarantee that there would be no accidents or that hazards would be totally eliminated.

"What is important is that the need for strictly adhering to safety requirements is fully appreciated by the public

at large."

On the chemical industry, Datuk Amar Yong said in the past the industry had not paid sufficient attention to safety from toxic effects of chemicals.

This was because such effects were relatively unknown then but the situation had changed drastically today and the toxic effects of most chemicals and other hazards were fairly well documented, he added.

He said it was therefore the duty of employers and senior personnel to know the hazards associated with all products used and to undertake adequate work procedures to ensure the safety of employees and to educate them.

Some 110 participants including one from Singapore are attending the course.

PILOT PROJECT TO IMPROVE PADDY SUBSIDY PLANNED

Kuala Lumpur NEW STRAITS TIMES in English 13 Aug 83 p 4

[Text]

PETALING JAYA, Fri.— The plan to zone padi farmers and buyers as a means to improve the padi subsidy scheme will only be implemented nationwide after checking for any weakness in the pilot project to be carried out soon, Public Enterprises Minister Datin Paduka Rafidah Aziz said today.

She said her Ministry has completed registering the 3,000 farmers in the two areas in Kedah where the pilot project would be undertaken during the harvesting season which will be soon.

The zoning plan would benefit farmers because they would not have to travel far away to sell their padi, she added when speaking to newsmen after opening the Damansara Jaya 11 Petronas service station.

She will be writing to the Kedah State Government to inform it of the concept of the plan.

She said they would have to carry out the pilot project at least for one or two seasons so that they would be able to know the weaknesses.

Datin Paduka Rafidah also suggested that local firms and agencies bringing in foreign technology into the country should pay greater atten-

tion to the human aspects as well.

Feedback

She said that in the past the technology transfer process had largely involved "visible capital" like equipment and technology and not human aspects like work ethic and methods.

For instance, she said, firms when bringing in Japanese capital and technology had neglected to learn the Japanese method of conducting their business.

She felt that by paying attention to the human aspect as well, the firms would be able to correct any weaknesses in work attitudes.

Asked if her Ministry has listed out areas in which public agencies should not get involved so as not to compete with Bumiputera entrepreneurs who were already able to do the job, she said this had not been done.

This was because the agencies from time to time analyse the existing situation, she said.

Furthermore they could obtain the feedback from her Ministry as well as from the Trade and Industry Ministry on projects that not only the Bumiputeras but also the private sector could undertake, she added.

BRIEFS

AIR SPACE CONTROL--MALAYSIA plans to take over control of the air space in southern Peninsular Malaysia in stages, Transport Minister Tan Sri Chong Hon Nyan said yesterday. At the moment, Singapore has been delegated the responsibility of providing flight control service over the air space under an arrangement between the two countries in 1973. Tan Sri Chong said under the arrangement, Malaysia agreed that the responsibility be given to Singapore to facilitate air traffic movement. "This is because we don't have the capacity to undertake the responsibility on our own due to technical and manpower reasons," he said in a written reply to Senator Puan Hasnah binte Mohamed Kassim. Tan Sri Chong said technical discussions were being held between officials of both countries on the matter. He rejected the Senator's suggestion that temporarily delegating the responsibility to Singapore meant that the country was surrendering its sovereign rights. [Kuala Lumpur NEW STRAITS TIMES in English 10 Aug 83 p 8]

JOBLESS RATE TO INCREASE--THE unemployment rate is expected to increase slightly from 6.2 per cent last year to 6.3 per cent in 1983. This forms 369,117 of the total manpower, Deputy Labour Minister Datuk Zakaria Abdul Rahman told the Dewan yesterday. Replying to a question by Senator D.P. Vijendran, Datuk Zakaria said the unemployment rate for Peninsular Malaysia in 1980 was 6.1 per cent while Sabah and Sarawak stood at 7.9 per cent and 5.4 per cent respectively. [Kuala Lumpur NEW STRAITS TIMES in English 12 Aug 83 p 8]

SENIOR OFFICIAL QUILTS SNAP--Kuching, Sun.--The Assistant Minister of Culture, Youth and Sports Mr Michael Ben anak Panggi has resigned from the Sarawak National Party (SNAP). In a press statement released tonight, Mr Ben, a Bidayuh, said he will be joining Parti Bansa Dayak Sarawak. (PBDS). He said "I have come to this decision because SNAP objected to the application for membership of Barisan Nasional from PBDS on the 10th August 1983. SNAP's public objection to the exercise of his prerogative by YAB Datuk Patinggi Haji Abdul Taib Mah-ud, Chief Minister of Sarawak, is another reason for my decision, he said. Mr Ben said "I have no part in and do not wish to be seen as desiring the exclusion from the process of government those people in PBDS whose only sin is their bold and purposeful articulation of Dayak participation". He said "I have always been a part of the Dayak's struggle towards achieving meaningful political participation in our multi-racial society. Towards this end I support YAB Datuk Patinggi Haji Abdul Taib Mahmud,

particularly in regard to his decision to include PBDS in the BN Plus Government. "That is a reflection of his sincerity in getting every community to participate in the decision-making process. In the interest of peace, progress and racial harmony, it is wise decision because PBDS in the government will certainly reduce politicking and allow the leaders to concentrate on development efforts", he added. [Kuching SARAWAK TRIBUNE in English 15 Aug 83 p 1]

CSO: 4200/891

ANTI-CPT ISOC PROJECT 6601 SUMMARIZED

Bangkok SIAM RAT SAPPADA WICHAN in Thai 14 Aug 83 pp 18-23

[Article: "'Assassination Order' 6601"]

[Text] In an age in which "numbers" are gaining influence over Thai political life, the 201st Rattanakosin anniversary seems filled with "numbers." Here, 6601 has become such an issue that some people feel that there is a split into "two camps" between those involved in communist suppression activities, which were successful because of 66/1980 and modified 65/1982.

Actually, the matter of "numbers" is not very interesting. It just causes headaches. Its more appropriate for astrologers and mathematicians in various fields. But it became evident that [Policy] 66/1980 was achieving results in suppressing the communists and, later on, this policy began to expand in scope and the constitution was revised so that it would be "in accord" with this policy. Also, officers known as the "66 Group" looked as if they were gaining more power. Because of this, it was inevitable that the villagers would take an interest in "numbers." And this does not include those in the public and private sectors who like to play the lottery.

"The Scripture" Builds Unity

"6601" refers to the "Project 6601 Education Support Document, Volume 1." This is considered to be the "artery" of 66/1980, or Office of the Prime Minister Order 66/1980, which was issued on 23 April 1980 and which concerns the "policy to fight to defeat the communists." This is because this document, which is divided into 14 chapters and which has an introduction that explains Order 66/1980, has been used as the line in providing training "for national security." This has led to rumors that a dispute has arisen between "two lines."

In the foreward to Project 6601 Education Support Document. Lieutenant General Prayun Bunnak, the head of the Operations Section of the Internal Security Operations Command (ISOC) and the assistant army chief of staff for operations, wrote that 6601 was "originally written in order to have it serve as a document that officials involved in Project 6601 could

study by themselves in order to increase their understanding. Later on, the executive committee discussed matters and came to the conclusion that this document was very useful because it provides information concerning strategies that are in accord with Office of the Prime Minister Order 66/1980 issued on 23 April 1980, which concerns the struggle policy for defeating the communists. They thus felt that it should be disseminated more widely within the army."

The foreword by Lieutenant General Prayun Bunnak pointed out the importance of 6601:

"...and so the ISOC formed a committee to revise the original document, which had made a good start, to form volume 1, which would serve as an introduction to later volumes. It was felt that the more "we know them and know ourselves," the more we would use the knowledge to quickly defeat the communists. And this knowledge was to be used to build ideological unity among the nation's soldiers. When the nation's soldiers have the same ideology, the nation's military will be strong."

The importance of 6601 to the point of being able to create "ideological unity" and thus other "strengths" was expressed in the foreword by Lieutenant General Prayun Bunnak as follows: "Once the military is strong, state power will be strong, too. This will support building a democratic system in order to help preserve the institutions of nation, religion and monarchy forever."

Lieutenant General Prayun Bunnak also said in the foreword that "I feel that Project 6601 Education Support Document, Volume 1, is the starting point of a good ideology. However, it is only natural that there are some weaknesses. Continually making revisions and corrections is academically progressive and constructive. This has given rise to the hope that there will soon be additional volumes so that studies can be expanded."

Things Are Not Rosy Like Before

As for what happened after that, several newspapers published stories to the effect that 6601 has not created "ideological unity" in accord with the objectives but has instead led to "conflicts concerning the way to solve the communist problem." According to some newspapers, some people who disagree with 6601 have been "punished" and some have resigned.

At the same time that such reports were published, the "importance" of 6601 was questioned, [with people] saying that this would not create "ideological unity" to make the "military strong and thus make state power strong, which would support building a democratic system..." as stated. But I am not sure about this.

Lieutenant General Mana Rattanakoset, the director of the Civil Affairs Center, Operations Center, ISOC, issued a statement to the mass media on 5 August that denied a mass-media report that said that "scholars

in the ISOC have split into two groups. They disagree about the national security training curriculum. One of the groups is referred to as the 'old line' group while the other is referred to as the 'new line group.'" [Lieutenant General Mana] said that "this is incorrect."

The director of the Civil Affairs Center discussed the development of the struggle policy to defeat the communists. He said that ever since we began using this policy in accord with Office of the Prime Minister orders 66/1980 and 65/1982, the revolutionary war waged by the communists has suffered defeats and has now become an ordinary terrorist situation [rather than a war]. The communists do not have any liberated zones or secure bases left.

Lieutenant General Mana repeated that "Policy 66/1980 is an important government measure that has scored results in the struggle to defeat the communists. Because of this, the government must continue on this path. Because of the results mentioned above, it is essential--regardless of whether in providing education for national security, which is the responsibility of the ISOC, or in strengthening the ideals of the government officials and people concerning the struggle to defeat the communists--to create ideological unity. And the unified operations must be in accord with the struggle strategy stipulated by the government, that is, Policy 66/1980.

The director of the Civil Affairs Center said that the ISOC has more than 1,000 scholars, who work in various government sectors throughout the country. Once the teaching methods of the ISOC are improved, the ISOC asks the scholars who have taken the training seminars to come have the line explained to them. But some have not been able to come because of being busy with the work of their government unit.

"All of the scholars must hold to the training curriculum stipulated by the ISOC. They cannot stipulate anything on their own. Otherwise, it will not be possible to generate unity in the struggle and have a single line."

Lieutenant General Mana said that "actually, the various subjects stipulated in the curriculum of the ISOC have not been changed. They are the same as before. Only the teaching methods have been changed in order to have them be in accord with the policies of the government in the struggle to defeat the communists."

But as for 6601, which is "the problem" according to several newspaper reports, Lieutenant General Mana Rattanakoset said that "concerning Document 6601, which is being mentioned by the mass media, I would like to say that this document is just a teaching method developed by ISOC officials a long time ago. But checking the mistakes in the printing, there are omissions in various places and this has ruined the meaning. The cancellation was announced a long time ago. Thus, why does this have to be brought up again."

Lieutenant General Mana said that the "mass media probably understands that the ISOC constantly has to update the curriculum and the content of the curriculum. Things that are outdated and incorrect and that are not in accord with policy changes made by the government must be done away with and new things must be put in their place."

In short, 6601 has been voided.

And so what happened with 6601? Wasn't it in accord with 66/1980 and the policies of the government, which clearly announced that no changes would be made? What parts will be kept as the operations line?

6601

6601, or Project 6601 Education Support Document, Volume 1, is composed of a foreward by Lieutenant General Prayun Bunnak as mentioned above. Following this, the body of the document is composed of an introduction, which is an "explanation of Office of the Prime Minister Order 66/1980 issued on 23 April 1980, and 14 chapters on study topics. The 14 chapters are:

1. The differences between democracy and communist socialism.
2. Neutrality.
3. The policy of peaceful co-existence.
4. The two-worlds, three-worlds theory of the communists.
5. Foreign policy.
6. The history of Thailand's foreign policy.
7. Thailand is an important strategic point in the world.
8. The civil war situation.
9. The people's war.
10. The democratic tactics of the communists.
11. What is strategy?
12. The struggle strategy to defeat the communists.
13. Democracy.
14. Land reform.

Following this, 6601 contains an appendix on "Office of the Prime Minister Order 66/1980 of 23 April 1980 on the policy of fighting to defeat the communists."

Concerning the literary style of 6601, it seems to be closely modeled after Order 66/1980, as if it were written by the same person. There is both an appendix, that is Order 66/1980 was reprinted, and an introduction that explains this order.

Concerning the body of the document, the form of the proposals and the ideas presented in 6601 are exactly the same as those in Order 66/1980, which the government is still following. Also, this even helps to explain Order 66/1980 and make it more understandable.

A Preview

When reading 6601, many people who used to read a weekly political magazine that billed itself as the "organ" of the "Democratic Soldiers," whom newspapers later referred to as the "66 Officers," may be reminded of a time when they read an article by a former communist and proponent of a manifold ideology embracing democracy and democratic revolution who became well known the time that people tried to revise the constitution.

In 6601, there are several sections that seem as if they have been taken from the article printed in that weekly magazine in order to give a preview.

At the beginning of the preview, what is interesting is the "introduction," which is an "explanation of Office of the Prime Minister Order 66/1980 of 23 April 1980." This is divided into four sections as follows:

(1) The Issue of the Order

The issue with which the order is concerned is the "policy of fighting to defeat the communists." This refers to the new policy in solving the communist problem in Thailand. That is:

1. The previous policy used the word "anti," which meant completely eliminating the enemy. As was said, the communists had to be completely eliminated from Thailand. This anti-communist policy was the policy of a dictatorship. Besides failing to achieve results, it helped the communists to grow in strength and score victories, as was the case in Russia, China and Indochina.

As for the policy in accord with this order, it uses the word "fight," which means preventing the enemy from being a danger or posing a danger, with the enemy still present. The policy of fighting the communists is the policy of a democracy. This has enabled the democratic countries, such as England, the United States, Japan and India, to defeat the communists.

2. According to this order, "communist" refers to the Communist Party of Thailand (CPT). It does not refer to "communist" in the Communist Activities Suppression Act. The CPT refers to a political party whose members are communists. This also includes those groups and individuals who are part of the CPT's united front. "Communist activities" according to the Communist Activities Suppression Act may refer to the activities of anyone. People who are not communists and who do not belong to the communists' united front may commit communist acts according to this act. Thus, concerning the arrest of people guilty of engaging in communist activities, previously, fewer communists were arrested than were non-communists. Even large numbers of right-wing people were arrested.

Thus, according to this order, fighting the communists refers to fighting the CPT, which is different from those who engage in communist activities according to the Communist Activities Suppression Act.

3. This order stipulates that the struggle must be waged "in order to win." In a fight, you may lose, you may win or you may neither win [nor lose]. This can be compared to treating a patient, who may die, who may not get better or who may be cured. This order stipulates that [we] must fight to win. Using the analogy of a sick person, the person must be cured.

(2) The Objective of the Order

The objective of this order is to "quickly put an end to the revolutionary war being waged by the communists. This war is of great significance and poses a great danger to the security of the country."

1. This objective is not aimed at having a communist party or at doing something else. It is aimed at ending the revolutionary war of the CPT. That is, defeating the communists means ending the CPT's revolutionary war.

2. Putting an end to the war being waged by the CPT, that is, defeating the CPT, is necessary because this revolutionary war poses a great danger to national security. This war is a great danger because it has caused great losses of life and property. And it has caused great political, economic and social losses and is an important obstacle that is preventing the country from becoming a democracy. And above all, if the CPT wins the war, the CPT will gain control of Thailand and turn Thailand into a socialist and communist country. This would destroy all the national institutions that have been handed down from ancient times.

3. Concerning ending the war being waged by the CPT, this order stipulates that this must be done quickly. A definite time period must be set in accord with the actual situation. For example, it might be stipulated that things are to be completed within 6 months after operations are launched in accord with this order.

(3) The Policy of the Order

The order's policy is to "fight in order to defeat the communists quickly by waging a continuous political offensive. Emphasis will be placed on all types of operations, which will aim at destroying their united front and liberation armed forces, putting an end to the revolution and putting a stop to the operations aimed at bringing about a people's war. This will be accomplished by using a policy of remaining neutral and expanding on the results achieved by opening up opportunities in order to switch from an armed struggle to a peaceful struggle."

1. To achieve the objectives of this policy, there must be a continuous political offensive. This political offensive to defeat the communists refers to a democratic offensive, which means launching an offensive using a democratic system or democratic methods. An offensive using a democratic system is a democratic revolution; an offensive using democratic methods is a democratic reform.

2. The political offensive has two goals. One is to destroy the CPT's united front. The other is to destroy their liberation armed forces in order to put an end to the CPT's revolutionary war.

3. At present, the CPT is changing the form of the revolutionary war. It is switching from a civil war to a national war. That is, it is switching from fighting the government to fighting against Vietnam by establishing a united front with the government, just as the Chinese Communist Party formed a united front with the Kuomintang government to fight the Japanese. This order stipulates that all CPT operations aimed at switching from a civil war to a national war, that is, at switching from fighting the government to fighting Vietnam, are to be stopped.

This order stipulates that, on one hand, the CPT's civil war is to be suppressed. On the other hand, the CPT's attempt to form a united front with the government and wage a national war is to be crushed.

4. Concerning putting a stop to this national war, this order stipulates that it must be stopped using a policy of neutrality. That is, [we] must remain neutral [in the conflict] between Pol Pot and Heng Samrin, between China and Vietnam and between China and the Soviet Union. That is, we must remain neutral in the conflicts, or wars, within the socialist system.

5. Once the war being waged by the CPT has been stopped, the CPT can carry on its struggle in a peaceful way. That is, the CPT can carry on its struggle using democratic methods just like other parties in accord with the democratic principles used in all the democratic countries, such as England, Japan and India.

(4) Operations (of the Order)

Concerning the operations (of the order), "in fighting to defeat the communists, things must be completed quickly. Undertaking prolonged operations, which is what the enemy wants, must be avoided. To achieve victory quickly, [we] must launch a political offensive, which includes carrying on all types of operations that will make the people realize that this land belongs to people who must protect it and that the people have a part to play in administering things and are entitled to the benefits. During the course of the struggle to defeat the communists, the political activities are the decisive thing. The military activities must support and promote carrying out the important political activities.

1. The important points are in the first operations paragraph (Paragraph 4.1.). The other paragraphs (4.2 to 4.9) are supplementary paragraphs and explanations of the first paragraph.

2. The first operations paragraph (Paragraph 4.1.) is composed of two problems:

A. Protracted operations must be avoided since such operations "play into the hands" of the enemy. Thus, the operations carried on this past year have been incorrect since they have all been extended operations.

B. The political offensive must have the effect of putting [the government] on the political offensive. Defeating the communists does not depend on a political offensive but rather on being the side that is on the offensive politically. That is, in the past, the CPT has always been the side that has been on the offensive politically while the government has been on the defensive politically. Thus, this must be changed by putting the CPT on the defensive politically and having the government go on the offensive politically.

Waging a political offensive means using the various political measures that are given in detail in the nine operations paragraphs of this order. But concerning the use of these measures, things will be carried out only to the stage of the democratic reform or to the stage of the democratic revolution depending on the capabilities of the CPT.

6601 and 66/1980, the Same Artery

Order 66/1980 and 6601 both come from the same ideological school. They both come from articles appearing in the weekly political magazine that is the "organ" of the "Democratic Soldiers."

Here, because space is limited, [we] will discuss one of the main themes of "democratic revolution-ism" on the role of the "national army." That is, we will look at the views of the "66 Group" on the status of the Thai military and on what its role will be. Looking back to the time that they tried to revise the constitution, the domination of this view can be seen clearly.

In Chapter 13 of 6601 on "democracy," the "national armed forces" are mentioned in "2.2. The Military and the Administrative System": "In every independent country, both in the past and today, the military is the primary mechanism of the state. The state has power. It survives by virtue of its power and it uses its power to sustain the state community. This power is known as state power. State power is the highest power in the state community. It is referred to as sovereign power. It is recognized that the military is the primary mechanism of the state. Because the military is strong, sovereign power is strong. If the military is weak, sovereign power will be weak. If the military is destroyed, there will not be any sovereign power. The other mechanisms of the state are not in a position to create sufficient sovereign power. Thus, in every country that is a state, within the meaning of international law and that has the properties of a member of the United Nations, the military is the agent that ensures national independence and state security."

As for the next stage, this paragraph points out how the military and the administrative system are related to each other. According to political science principles, the military is the group that builds the administrative system. In a war, the military is responsible for fighting and winning the war. The military is the primary mechanism of the state that is an important force in building the administrative system. No country can succeed in building this system without the military.

So that you are better informed about the military, I will discuss the meaning of the terms "military," "the Thai military" and "the national armed forces." The Thai military is composed of the army, the navy and the air force. The national armed forces are composed of the Thai military, the police and armed volunteers.

The sacred duties of the national armed forces, based on the principles of political science, are to:

1. Preserve the independence of the nation.
2. Maintain national security.
3. Protect the monarchy.
4. Maintain order in the country.
5. Build, maintain and support the democratic system with the king at the head.

It is worth noting that 6601 uses the word "I," which refers to the "author."

In Chapter 12 on the "strategy of the fight to defeat the communists," 6601 summarizes the history of the communists in Thailand. Concerning the struggle against the communists, it says that it has been a combination

of a civil war and a national war. "In the civil war, on one side has been the national armed forces while on the other side has been the liberation armed forces and Indochinese forces. In these two types of wars, whether the democratic side wins or loses depends on the national armed forces.

"Fighting and winning the war is the responsibility of the national armed forces. Other institutions are not responsible. If the war is lost and Thailand is taken over by the communists, generations of people will blame the national armed forces. Thus, it is essential that the national armed forces win the war by quickly implementing a correct strategy."

In the section on the "military and the administrative system" in Chapter 12, it states that:

"The military serves as the armed forces of the administrative system. In a period in which an appropriate administrative system has not yet been erected, the military must be the one to build this administrative system. Once an appropriate administrative system has been erected, the military must support and maintain the administrative system. This is true regardless of whether the system is an absolute monarchy, a dictatorship, a communist system, a democracy or some other system. This is a basic principle of political science.

4. What Are the "National Armed Forces?"

4.1. "The national armed forces are the armed forces of democracy. Democracy is government of the people, by the people and for the people. Thus, the national armed forces are the armed forces of the nation, of the state and of the people. They are not the armed forces of any particular person or group.

4.2. Because Thailand has not yet built a perfect democracy, the national armed forces have the task of building a perfect democratic system as quickly as possible. They will then be responsible for supporting and maintaining that democracy so that it is secure and so that it constantly makes progress.

4.3. Concerning these duties, they can be further divided into five tasks:

4.3.1. To preserve the independence of the nation.

4.3.2. To build, support and maintain the sovereignty of the masses.

4.3.3. To maintain the security of the state.

4.3.4. To preserve the monarchy.

4.3.5. To maintain order in the country.

4.4. Thailand has not yet succeeded in building a perfect democracy because the national armed forces have not carried out their duties. That is, the national armed forces have not carried on activities to build democracy. They have allowed individuals or various groups of individuals to build a democracy. This has been the case from the time of the People's Party to the time of the Reform Council. If the military continues to neglect its duties like this, the building of a perfect democracy will never be completed. No country can build a democracy without the national armed forces. All countries, both past and present, that have succeeded in building a democracy have done so using the national armed forces. Examples are the national armed forces of the United States under George Washington, the national armed forces of England under Cromwell and the national armed forces of France under the leaders of the celebrated French revolution. In the present time, the countries that have succeeded in building a democracy have all depended on the national armed forces to carry out things using various methods and forms.

5. The Composition of the National Armed Forces

5.1. The national armed forces, which are the armed forces of democracy, are national institutions. There are five armed institutions:

5.1.1. The army

5.1.2. The navy

5.1.3. The air force

5.1.4. The police

5.1.5. Other armed institutions such as the various groups of volunteers

Of these institutions, the army is the primary institution; the others are secondary.

5.2. In order to finish building a democratic system, the army, navy, air force and police--particularly the army--must carry out their duties in building democracy in close cooperation with each other. Groups of people have taken it upon themselves to build democracy. But because these groups have lacked power, they have had to seize power. Examples are the People's Party, the Revolutionary Group, the Coup d'Etat Group and the Reform Council. But once these groups seized power, they were all unable to build a democracy. This is different from the military since the military already has power over all the other powers of the state. Thus, the military does not need to seize power; it only has to carry out its duties according to the power that it has.

Thus, if the military, particularly the army, would just carry out its duties in building democracy with a lofty sense of responsibility, the building of a perfect democracy would be completed.

6. The National Armed Forces and the Struggle Against the Communists

6.1. Concerning Thailand's present situation, at a time when the national armed forces are carrying out their duties in building a democracy, they have encountered a major obstacle, that is, the growth of the communist movement, in which the Thai People's Liberation Armed Forces of the CPT are the primary element.

6.2. Who wins this war between the national armed forces and the Liberation Armed Forces, which is going on right now, will determine whether Thailand will have a democratic or communist system. Thus, the primary task of the national armed forces in carrying out its duties in order to build a perfect democracy is to fight the communists and beat them. If the communists win, it won't be necessary to talk about building a democracy.

Chapter 12 of 6601 states that: "Based on political science principles, the national armed forces are the ones that must build democracy. And based on strategic principles in times of war, the military will naturally be large. If the national armed forces are to succeed in building a perfect democracy, they must first fight to defeat the Liberation Armed Forces. For the national armed forces to defeat the Liberation Armed Forces, the national armed forces must use applied democracy, that is, a democratic system that is suitable for Thailand, to destroy the democratic tactics of the Liberation Armed Forces in order to put the Liberation Armed Forces on the defensive politically. The national armed forces must then launch a strategic offensive militarily using lightning warfare to crush the Liberation Armed Forces. Once the Liberation Armed Forces have been smashed, the communists will have been defeated. Democracy will be free from enemies and will be stable and secure.

Thus, based on these technical principles, reasons and facts, no individual or group of individuals can solve the present severe problems of the nation. Only the national armed forces can solve these problems."

Assassination Order 6601

Some parts of 6601 will puzzle some political scientists, who will be puzzled by having received their Ph.D. without ever having encountered such "political science principles." Unfortunately, space limitations in SAPPADA WICHAN do not permit [us] to reprint much of 6601. Thus, the contents of 6601, which contain the ideas of the "66 Group," may not be clear to the public. This will make people wonder even more about why this was replaced. The exceptions to this are people who used to read the weekly political "organ" of the "Democratic Soldiers."

6601 presents a way of looking at the country's problems, at the communist problem and at the foreign policy problems that is different from how others view the problems. There are several interesting issues in 6601 that may have caused the differences in opinion instead of creating "unity."

6601 resembles [a person's] "personal views" that are different from those of other people. This leads to the conclusion that there are only a few people who hold such views and who would have written such a document.

A very interesting point is that we have always referred to the Thai military as the "Thai military." It is only recently that people have referred to the "national armed forces." It is interesting that, for 6601, it is the "national armed forces" that must build a suitable administrative system. And once this has been built, it is the military that must support it, regardless of what type of system it is.

As for the struggle against the communists, 6601 says that if the communists cannot be suppressed, there is no use in discussing a democratic system of government.

Unfortunately, 6601 is already like a "history" for people who like "numbers."

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CSO: 4207/154

THAILAND

MP DESCRIBES LAOS VISIT, CALLS FOR NEGOTIATIONS WITH SRV

Bangkok MATUPHUM In Thai 15 Aug 83 p 2

[Interview with Mr Phaithun Khruakao Na Lamphun, an MP from Lampang Province who is a member of the Thai Nation Party and the secretary of the Foreign Affairs Subcommittee: "The Kampuchean Problem Is Now Deadlocked; We Are At a Deadend"; date and place not specified]

[Text] [Question] Concerning what was learned from the trip to Vientiane, will you summarize and present things to the government or to some unit?

[Answer] You have to understand that the trip to Vientiane by the Foreign Affairs Subcommittee was made independently. We paid our own way even though the government invited us. But we wanted to go on our own; we wanted to have the initiative. We could have flown on one of their aircraft, but we preferred to fly Thai Airways. Their council did not have any money for this. We did not take anything except officials. This was a people-to-people visit and did not concern the government. The purpose was to create better relations between the people in accord with the government's policy since this is a neighboring country. And we wanted to discuss the problems that concern Thailand and Laos. Also, we wanted to hear their views on the Kampuchean matter.

As for what we will do now that we have returned, we will probably sort through the ideas to see what is right and what is wrong and combine these with the data obtained from Thailand. Our main concern will be the interests of the nation and people. We may present things to the House of Representatives or to the government or we may discuss matters in the political parties. But it is not our intention to get into a dispute with anyone.

As for our visit to Laos this time, they welcomed us very warmly. Mr Somphong Paichampa, the Thai ambassador to Laos, said that during the past 10 months no one has received such a warm welcome to the extent that roads have been closed. We went as guests of the Supreme People's Council and were welcomed by the deputy president of this council, Mr Sisomphon Lovanchai. He is also the No 7 man in the Political Bureau.

[Question] Actually, concerning this trip to Laos, were the leaders of Laos trying to improve relations between Thailand and Laos and Kampuchea, or Indochina?

[Answer] They did not say much about Indochina. They were concerned only about Laos and Thailand. They stressed the fact that relations had deteriorated greatly since the 1979 Kriangsak communique. At that time, relations were very good. There were exchanges at the state and provincial levels. Thus, they did not put much emphasis on Thailand and Indochina but rather stressed matters between Thailand and Laos. The problem that they stressed was the matter of opening the border. At present, there is little trade. This is affecting the border, and relations are growing worse. They think that this stems from the Kampuchean problem and from China's great influence over us. That is what they think.

In short, they raised the problem of opening the border. Previously, eight points were open but now only two are open. The amount of goods passing across the border has declined greatly, particularly those types of goods that we have labeled war materials. They are very upset by the fact that we have designated more than 270 items as war materials and by the fact that materials sent to them by third countries are detained when transiting Thailand. For example, a boat that they were going to use to build a dam on the Hum River was detained. Besides this, bicycles and other items have been detained. This has caused problems for them.

Since senior people are unfriendly toward each other, this has caused a reaction on the banks of the Mekong river. They charge that our forces shoot across the river and that [former] Lao soldiers from the refugee center cross back to stir up trouble for them. They claim that there were 49 incidents during the first 6 months of this year. But looking at these things, it can be seen that both sides are responsible. The Thai and Lao people have always traded with each other. When the border was closed, people started smuggling goods across. Some of the cases involve profits while others involve double-crosses. For example, cattle and buffaloes have been stolen.

However, we asked them to show restraint. They asked that more border points be opened. Inspections are easier to make and so political matters will improve.

[Question] How many additional points do they want opened?

[Answer] As many as possible. The more that are opened, the better. They feel that all of these problems stem from the deadlock on the Kampuchean problem, which is a problem involving China. That is, they strongly oppose China. Concerning this, I think that this may be linked to their major policies.

[Question] Besides opening up the border, what else did Laos stress in improving relations?

[Answer] They placed much emphasis on the Kriangsak-Kayson communique. They talked about boat races and other such events. There were good relations during the time of General Kriangsak's administration. I do not think they were pretending. On the way to Luang Prabang, they talked about this. Some of us wondered why they all said the same thing and wondered if they weren't putting on an act for us. But on second thought, their socialist country is united.

[Question] In your personal view, do you think that Thailand should expand trade relations with them?

[Answer] I think that in discussing the problems of the country, we have to give first priority to national interests. In establishing relations with other countries in this region, what are our interests? Our foremost interests are political, security and economic interests. These are all related. Thus, the first thing is that we cannot allow the communists, regardless of whether they are Soviet-faction or Chinese-faction communists, to gain influence and oppose our system of democracy with the king at the head.

Second, the fact that there are Vietnamese troops in Kampuchea affects our security. This is to our disadvantage. We want the Vietnamese soldiers withdrawn. As for whether Heng Samrin or Pol Pot governs Kampuchea, that has very little effect on us. The problem is that there are Vietnamese [troops] in Kampuchea and this has made it necessary for us to increase our defense budget. Border trade has been ruined. There is smuggling and this affects security.

Third, if neighboring countries like Laos reduce the influence, or forces, of Vietnam and the Soviet Union, our security will increase.

I think that being friends with someone is better than having another enemy. It would be an improvement just to have an enemy who is less violent. As for the Kampuchean problem, we are now at a deadend. But I think that we must separate the Lao problem from the Kampuchean problem. Even though this is not perfect, it must be remembered that, even if Laos has a Vietnamese-style Soviet socialist ideology, basically they are like the Thais in the northeast.

Concerning the import and export of goods, if we seal off things and act roughly toward each other, the border will be closed. But if we have good relations with each other, we will be able to go there. We could inspect things. For example, they say they have unity. We could go and see if this is true. We could see if there really are troops in Phong Saly. We could go see Viengsai. We could do this if relations were good. They have proposed this, and we should agree. And concerning the goods that are sent by third countries, such items, including boots, seasoning powder and clothes, could be produced by Thais. This would

benefit our industry. But Laos has to import these things through Danang. But they have problems using the road from Danang since Vietnam has to use this road too.

I think that whatever helps to reduce the tension will benefit us on the economic and security fronts. We can compromise, and this will benefit all of us. Because Laos is in a tight situation concerning their relations with us. I think they are sincere.

[Question] What is our present volume, or value, of trade with Laos?

[Answer] At present, it amounts to about 1 billion baht a year. Actually, it is more than that, but we do not know how much third countries that trade with Laos sell outside the system. We cannot collect taxes on goods traded outside the system. We cannot control this. This has given rise to influential groups along the border. They cause trouble, and our security system has been greatly damaged. They have to purchase rice. Sometimes they have to purchase smuggled rice, and this frequently causes problems.

I think that if we make it easier for them to engage in trade, they will not have to rely on Vietnam so much, and Vietnam will not have to provide so much help. Vietnam's economy is very poor. Their troops have to confront Chinese and Khmer forces. I think that we should take this opportunity to benefit from this. And from what I saw, they have not tied this problem to the Kampuchean problem.

[Question] Some people have observed that this trip to Laos by the subcommittee will indirectly benefit Vietnam since they will be able to use it for political and diplomatic propaganda purposes. Do you think this is true?

[Answer] Actually, this is not concerned with them at all. Vietnam may benefit somewhat as Mr Kriangsak said; I'm not sure. Mr Kriangsak wants this region to be free from great-power [influence], which refers to the Soviet Union, the United States and China. He feels that Indochina has been at war for 30-40 years now. He feels sorrow for the many Vietnamese and Kampuchians who have died because of foreign influence. He is also referring to the fact that Vietnam, as well as Laos and China, have influence in Laos. They can think what they want. They are clever diplomatically. But what we want is not what they want.

In opening diplomatic relations, we have to listen to the problems. We do not have to believe everything they say. Some members of the subcommittee even asked them if they would allow Vietnam to invade Thailand if we opened the border. They asked them if it is true that several tens of thousands of troops are there. They quickly denied this. We also asked that they release certain Thais.

[Question] Concerning the border line, which runs down the middle of the Mekong River, did we talk to them about this, and [if so] what was their response?

[Answer] Actually, that is an historical problem. We raised this matter in 1976 when I was an advisor. Mr Phichai Rattakun raised this matter, but then it was forgotten. Concerning this matter of the border, once good relations have been established, the problem will certainly be solved. But this is not the issue that has caused the present tension. This is a basic problem that must be solved once good relations have been established. But this is not the thing that has caused the problems. The thing that has caused the problems is the trade issue. Since relations between us are not good, trade has declined. But this will definitely have to be solved.

[Question] In general, how can the Indochina and Kampuchean problems be solved? And is the Thai government's policy really slanted toward China?

[Answer] At present, we have reached a deadlock on the Kampuchean problem. We are at a deadend. That is, they have resolutely rejected ASEAN's proposals, with Thailand taking the lead. And Australia has put forth five or six proposals. But both China and Vietnam have refused to accept these. Vietnam has put forth proposals, but we have rejected these. No one has been willing to accept the other's proposals. This is the deadlock. The major problem is the dispute between China and the Soviet Union. Vietnam follows the lead of the Soviet Union. Do you know what the latest reason given by Vietnam for being in Kampuchea is? At first, they said that they invaded Kampuchea because Pol Pot was savagely killing the people there. But later on they said that the real reason was that Pol Pot was a tool of China in invading southern Vietnam. Vietnam and China refuse to discuss matters with each other.

If this deadlock continues, who will the loser be? It won't be ASEAN, China or the United States. It will be Thailand. As long as the fighting continues, we will have problems and will have to welcome and have banquets for people from ASEAN and Prince Sihanouk. We have to find a way to solve this problem diplomatically. There must be a way out, but I do not know what it is. But if things continue like this, the problem will still not be solved 10 to 20 years from now. This will have a great effect. For example, the internal communist problem will be linked to this. At present, they are being clever. Vietnam says that the Vietnamese-faction communists pose no danger to Thailand. Speaking frankly, we have to give first consideration to what is best for us.

I think that the way out of this is to discuss things with each other or through a third party. At present, we are not talking to each other. I think that Mr Sitthi Sawatsila is too inflexible. But I do not want to charge him with siding with China. But Laos and Vietnam definitely

do charge us with siding with China. We say that this is not true and that we are free. It depends on the method. I would like people to relax and take a deep breath. And the time spent with ASEAN should be reduced. We cannot expect much from Prince Sihanouk or Son Sann. These people belong to the past. When they were still men of great power and prestige in their country, they couldn't save their country. How can they return and save their country now?

Stated frankly, that is impossible. There are only two choices, either Heng Samrin or Pol Pot. Our problem is that we are sitting near a fire. We have lost trade while others such as Singapore have benefited. We should separate these matters. The United States has just signed a contract to sell a large amount of grain to the Soviet Union. They are fierce enemies, but they still trade with each other. I do not feel that we should abandon our diplomatic efforts. We should continue to try to score results using diplomacy. We should not give up trying to make economic profits. We do not have to fear the communist countries. Our country has genius. We have a democracy with the king at the head. We should not conduct our diplomatic affairs based on fear. That is my view. For example, the Lao matter can be separated from the Kampuchean problem at one level. At least, we can take a "peek" into their country; we do not have to sit along the banks of the Mekong river.

[Question] In short, we have to negotiate with Vietnam.

[Answer] Regardless of what is done, if one method does not bring results, some other method must be used, with the main consideration being given to what is in our best interests. To get Vietnam out of Kampuchea, we have to talk. We have to negotiate. If negotiating things through the United Nations doesn't work, some other way of negotiating must be found. Confronting each other like this is of no use. Look, General Prem has been prime minister for more than 3 years, but he has never visited Laos. Neither have Mr Sitthi or Mr Aun. This is because they have gotten bogged down in the Kampuchean problem. The problems in the south of Thailand and the problems concerning the Arabs have received less attention.

We are giving too much attention to ASEAN and Kampuchea. I do not think that we will gain anything by getting involved with Sihanouk. There won't be any operational results. Let's give attention to our interests. Let's not be idealistic.

[Question] Is Air Chief Marshal Sitthi Sawetsila's proposal that Vietnam withdraw its forces 30 kilometers [from the border] a possibility?

[Answer] I think that this is a political offensive. It can be viewed in several ways. But it probably won't generate any results. I do not think that Vietnam will agree to a pullback; they may just return. As

long as there is fighting with Pol Pot and the border problem remains unsettled, there will be a problem with Vietnam. There have been various proposals. But Vietnam will definitely not withdraw its troops from Kampuchea. And the Soviet Union will not agree to this as long as China and the Soviet Union are still at odds.

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CSO: 4207/158

MILITARY AFFAIRS AND PUBLIC SECURITY

RECONNAISSANCE CREDITED FOR THWARTED ATTEMPT TO FLEE COUNTRY

Hanoi QUAN DOI NHAN DAN in Vietnamese 17 Aug 83 p 3

[Unmasking the Enemy column by Pham Van: "The Letters"]

[Text] Thuy Cham opened the cabinet, took out the letter from her sister and read it over and over. She threw it onto the table, laid down on the couch and breathed a long sigh. A man had handed her the letter exactly 1 month ago. He called himself Vuong Quang. Before he left, he promised to return 1 month later, but nothing had been heard from him since. In the 7 years since she left the radio store in Phnom Penh and returned home, Thuy Cham had not heard anything about her sister Thuy Lan. To learn now that her sister and family were still living in a refugee camp in Thailand enjoying rather good living conditions made her very happy. As Thuy Cham was daydreaming, a voice asked from outside the house:

"Ma'am, is this the home of Thuy Cham?"

"Yes, it is! Who are you?"

--"My name is Quynh. Thuy Lan has sent a letter to you. Vuong Quang is busy and unable to deliver it."

"Please come in."

The guest entered the house and carefully handed the letter to Thuy Cham. After very politely asking permission, she opened the letter and quickly read it. It was her sister's handwriting. From it, she learned that Thuy Lan's eldest daughter had taken a husband, that everyone had a job and that the lives of the other families there were very comfortable, too. Thuy Cham paid special attention to the part that read: "...Perhaps you and your husband should send your children over here to live with us. I will rely upon the persons who are delivering these letters to help you determine how to get here."

What Thuy Cham had been hoping for had happened. The person who delivered the third letter was not Vuong Quang or Quynh, but a woman. She was about 45 years of age with a light complexion and small eyes hidden beneath thick

eyebrows. She frequently smiled and almost always spoke in very few words in conversation with others. She introduced herself as Cao Minh and said that she, too, had lived for awhile in Saigon. As they sat conversing, Cao Minh revealed to Thuy Cham that she had to buy two 45 calibre pistols to "defend herself" when travelling from Thailand to Vietnam and had to take back to Thailand with her several Vietnamese youths to "make the journey easier." Cao Minh expressed the wish that Thuy Cham assist her. The youths had to be Chinese or Vietnamese of Chinese ancestry about 18 or 20 years of age who have relatives in the United States or another capitalist country. At Thuy Cham's house, Cao Minh met with more than a dozen youths. She carefully scrutinized each one of them, asked about their ties to foreign countries and their reasons for leaving and then instructed them to maintain strict secrecy and hurriedly prepare everything they would need so that they could quickly depart. Their belongings had to be compact in order to avoid arousing suspicion. The address of a relative overseas had to be written in indelible ink on their trouser pocket. If they were inspected during their journey, they were to say that they were going to camp in Chau Doc (An Giang).

When thorough preparations had been made, Cao Minh set the date for their departure as D day in June. They were to depart from number 50 T. Street in the 5th Precinct of Ho Chi Minh City. But they were arrested even before they left the building. At the public security agency, Cao Minh confessed: she was a Vietnamese of Chinese ancestry who had frequently travelled from Thailand to Vietnam to guide persons fleeing to another country. Taking advantage of Thuy Lan's acquaintance, which they had made at a refugee camp in Thailand, they agreed to bring letters and gifts from her to Vietnam and, in the process, find a way to establish a base of operation. But all of them, Vuong Quang, Quynh and Cao Minh, were caught in a trap set by our public security reconnaissance soldiers.

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CSO: 4209/531

MILITARY AFFAIRS AND PUBLIC SECURITY

ACTIVITIES OF PEOPLE'S PUBLIC SECURITY FORCES REPORTED

Hanoi QUAN DOI NHAN DAN in Vietnamese 17 Aug 83 pp 1, 4

[Article by Thanh Lang: "Recording Achievements in Commemoration of the Anniversary of the August Revolution and National Day, 2 September: 'The People's Public Security Forces Display High Responsibility in Their Work, Combat and Maintenance of Security and Order'"]

[Excerpt] Recording achievements in celebration of the anniversary of the August Revolution and National Day, 2 September, and the 38th anniversary of the founding of the People's Public Security Force (19 August 1945-19 August 1983), practically all of the people's public security units of the country have conducted political activities to "review the implementation of the six teachings of the revered Uncle Ho to people's public security personnel." The various leadership levels of the Ministry of Interior have reviewed themselves in front of the leaders on the levels below them. Cadres and soldiers have reviewed themselves in front of their units, engaged in criticism and self-criticism in a serious attitude and achieved initial results.

The revolutionary action emulation movement to continuously display high responsibility in work, combat, the maintenance of security and the maintenance of social order and safety in the new situation has been intensified throughout the sector.

The people's police force and the people's security force have launched the "follow in the footsteps of the heroes" operation to send more cadres and soldiers to the places where the most difficulties, hardships and complex problems are to maintain security and order.

The Ben Tre Provincial Public Security Force has closely coordinated with the various sectors, mass organizations, troops, militiamen and self-defense forces to intensify the struggle against political criminals and violators of criminal law. Relying upon help provided by local compatriots, people's public security soldiers have found and promptly suppressed a number of reactionaries engaged in schemes against the revolution. The public security soldiers and troops of Ba Tri and Mo Cay Districts and the public security soldiers of the city have steadfastly exposed and effectively struggled against criminals engaged in acts of psychological warfare. Some violators of

criminal law who have used superstition to deceive the people and earn their livings illegally have also been harshly punished. The economic police have coordinated with the militia and self-defense forces in a successful struggle against profiteers, smugglers and illegal businesses, reclaiming such property and merchandise worth hundreds of thousands of dong for the state.

The public security force of Phu Khanh Province, as a result of working closely with installations, relying upon the people and waging a determined struggle to promptly stop many activities of criminals stealing telephone wire, have helped to protect communication lines, promptly supported command and guidance operations and maintained the flow of electricity in support of production and everyday life within the locality.

The public security forces of the northern border provinces, such as Cao Bang, Lang Son and Quang Ninh, have sent additional personnel into key areas to cling to the land, cling to the people, mobilize the compatriots of the ethnic minorities to display high revolutionary vigilance, suppress reactionaries within the locality and struggle to arrange a boycott of the border markets of the Chinese reactionaries. The public security soldiers of Dong Van and Meo Vac Districts in Ha Tuyen Province have bravely struggled against and defeated acts of infiltration by the enemy and prevented the Chinese reactionaries on numerous occasions from distributing propaganda leaflets designed to provoke counter-revolutionary rebellion. The public security forces of the border districts in Quang Ninh Province have uncovered dozens of cases of bad persons who have gone across the border to China to buy and trade goods and been used by the enemy as lackeys.

The public security force of Nghia Binh Province has actively supported the various party committee echelons and local governments in the propaganda effort to show cadres and the people the schemes and methods employed by the enemy in their multifaceted war of sabotage, heighten their revolutionary vigilance and gain their active participation in the struggle against political criminals and violators of criminal law.

The public security force of Nghia Binh Province has also intensified its propaganda effort and has been encouraging the people to observe and assist the full implementation of the six teachings of Uncle Ho in order to constantly endeavor to complete tasks in an outstanding manner and help to maintain political security and social order and safety well in every situation.

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CSO: 4209/531

MILITARY AFFAIRS AND PUBLIC SECURITY

GAINS CLAIMED IN CATHOLIC DISTRICT IN LAM DONG PROVINCE

Hanoi (QUAN DOI NHAN DAN in Vietnamese 12 Aug 83 p 3)

[Article by Hong Cam from the Military Region 5 Newspaper: "A Highland District in Lam Dong"]

[Text] Lac Duong, which lies at an altitude of roughly 1,600 meters, is a highland district of Lam Dong Province with treacherous mountain terrain; more than 95 percent of the district is high mountains and forest land. The district's population of more than 160,000 consists of almost entirely of members of ethnic minorities living in eight population centers within five villages. Catholics constitute nearly 90 percent of the population. The district has 25 churches and more than 100 priests and missionaries who are members of ethnic minorities. Taking advantage of the treacherous terrain, FULRO bandits built their stronghold in the district. Deceived and controlled by these bandits, the compatriots of the district had little knowledge of the lines and policies of the revolution and some citizens were drawn into the forests by FULRO.

The Standing Committee of the Lam Dong Provincial Party Committee decided: the effort to resolve the FULRO problem must be closely linked to the resolution of the nationalities question, the issue of religion and the issue of living conditions primarily by means of conducting a widespread phase of political agitation among the compatriots of the various nationalities, with the main theme being building the economy and improving living conditions.

To implement this policy, the Lac Duong party organization issued a resolution calling for all forces of the district to focus their efforts on resolving three key problems:

--launching a propaganda and education drive to show the members of the ethnic minorities that FULRO is a lackey, reactionary organization of France, the United States and the Chinese expansionists.

--Carrying out the settlement of nomads and rearranging eating, housing and production facilities in coordination with building defensive positions in order to protect the people and protect production.

--Using the challenges encountered in everyday life as the basis for building the contingent of corps cadres of the masses and building the political forces and basic level armed forces that serve as the nucleus in production and combat.

The district mobilized all agencies, sectors, circles and forces to resolve the three problems mentioned above in a well coordinated manner, with the basis for making progress being the settlement of nomads, thereby creating the conditions for stabilizing economic construction and developing the culture and society.

On the basis of its potentials, arable land, climate and weather, the district adopted the production guidelines of a forestry-agricultural-industrial district and divided itself into two zones: the three Dam Ron Villages, which comprise an agricultural area for the settlement of nomads, and the villages of Lac, Kim Pa La and Nhan Ha, which comprise a forestry area for the settlement of nomads.

While rearranging the various population centers, the district gave its attention to creating population centers that are interconnected and support one another politically and economically, maintaining security and closely coordinating production and combat. In its organization of implementation, the district utilized the combined, coordinated strengths of the sectors and circles within the district and the competent support of the sectors within the province while relying upon the masses, displaying a high spirit of self-reliance and implementing the guideline "the people take the initiative, the state provides support."

Following 2 years of continuous effort, the district has settled 2,010 families consisting of more than 130,000 persons (80 percent of its population). Each household has a separate garden measuring from 1,000 to 1,500 square meters that is being used to raise fruit trees and coffee. In the agricultural zone, more than 600 hectares of land have been cleared or restored to production, 285 hectares of which are being used to raise two crops per year. In 1982, the three Dam Ron Villages sold to the state 100 tons of grain. In 1983, they are continuing to develop their production on 480 hectares of two crop fields and 400 hectares of one crop fields. In the forestry zone, 20 production collectives have been established that plant forests and harvest pine resin, "ngo" roots, broom grass and many other subsidiary forestry products. Each year, the forestry zone has harvested for exportation from 500 to 600 tons of pine resin, 1,000 to 1,500 tons of "ngo" root and 30 to 50 tons of broom grass. At present, the district is assigning land and forests to each village and each collective for use in their businesses and for protection.

Through the settlement of nomads campaign within the district, although some jobs are still underway, the face of the district has, generally speaking, changed. Perennial hunger has been eliminated and the state no longer need provide relief each year. The living conditions of the ethnic minorities have begun to be gradually improved. The way in which they earn their living and their farming methods have been changed. The villages have constructed schools and medical aid stations. One of every three persons is attending

school. The three Dam Pon Villages and Lac Village have a wired radio network and rice milling machines. Despite travel difficulties, the villages also have marketing cooperatives, which meet a number of the vital needs of the people, such as their need for salted fish, kerosene, cloth, clothing, etc.

Having achieved stable living conditions, the compatriots of the ethnic minorities have studied and gained a clear understanding of the policies of the party and government and become fully aware of the schemes and tricks of deception of FULRO and those who masquerade as religious persons. Many families that have long had ties with FULRO have voluntarily reported themselves to the government. Many persons have requested that they be allowed to go encourage their misguided husbands, children, brothers and sisters to return to their villages. Some mothers walked for 5 to 7 days along forest trails to the headwaters of the Krong No River to call their children and 47 followers of FULRO back to the revolution. The masses have reported to the local government members of FULRO who were conducting clandestine activities within villages.

The mobilization of the masses and the severing of their ties to FULRO have created favorable conditions for the armed forces to surround, pursue and capture the enemy in the forests. From 1981 to 1982, 500 persons who were led astray by FULRO surrendered, some bringing with themselves mortars, machine guns, machinery and documents. Hundreds of persons who were coerced and controlled by FULRO have returned to the people.

From the movement of the masses, many core cadres who are children of ethnic minority compatriots have emerged. The district has been quick to further cultivate their awareness and thinking and has guided their revolutionary activities. As a result, after nearly 3 years, many ethnic minority cadres have matured and are capable of undertaking work on their own on the basic level. During the first 8 months of 1982, the district accepted 15 new party members and there is the possibility that party chapters will be established in the villages by the end of 1983. All villages have established a village military and public security agency, one mobile militia platoon and many widespread militia platoons. The mobile units of the villages have fought independently or closely coordinated with the local troops of the province and district to surround and pursue members of FULRO hiding in the forests, routing them quickly. In addition, the district has also attached importance to building the corps of village and hamlet cadres, the people's public security teams and the other mass organizations.

Today, all work on the basic level is being undertaken by local people. The mass movement of the people and the corps of cadres have created a new spirit, a new force and are developing in the right direction, continuously attacking the enemy, building local forces that are solid and strong and building and developing the economy, the culture and society, thereby helping to make Lam Dong a prosperous and strong district in the highlands of Lam Dong.

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CS: 4209/111

MILITARY AFFAIRS AND PUBLIC SECURITY

ARTICLE DESCRIBES MILITARY EDUCATION OF MIDDLE SCHOOL STUDENTS IN HANOI

Hanoi QUAN DOI NHAN DAN in Vietnamese 12 Aug 83 p 3

[Article by Nguyen Kim Hoan, assistant principal of the Chu Van An Middle School: "Teaching National Defense Subjects to Students"]

[Text] The national defense education of middle school students is very necessary, consequently, the Ministry of Education has long had the practice of setting aside 1 week during the school year for this purpose. In Hanoi, this week is usually scheduled at the start of the school year and schools make full use of it to impart military knowledge, impart a sense of organization and discipline, forge a regimented style of life and create good habits for both teaching and learning throughout the school year. However, because there is still a shortage of military instructors, local military agencies have usually had to be relied upon to undertake the military training of students. But, because this only constitutes an additional task for them, the local military agencies have been unable to assign an adequate number of instructors for each class, consequently, the quality of training has been limited. During the 1982-1983 school year, the Ministry of National Defense and the Ministry of Education, together with the Capital Military Region and the Hanoi Education Service, have organized a pilot project in the military training of students in classes spread out over the entire school year at four middle schools, the Chu Van An, Nguyen Hue, Vietnam-Poland Friendship and Dan Phuong Schools, with 2 to 3 persons sent from the army to serve as instructors at each school. This program, which was implemented in a serious manner, was closely guided and observed and experience was promptly gained from it. At the conference held to gain experience following 1 year of the policy of incorporating a military training program for students in the main curriculum, all schools confirmed the following strongpoints of the policy:

--The quality of training was clearly improved. Students received military training directly as classroom units and through regular-force instructors, consequently, they achieved a firm grasp of the knowledge and were more proficient in the movements taught to them. In the 10th grade, where attention used to only be given to providing training in how to assemble information, how to make turns, stand at attention, stand at ease and march in step, training is now provided in how to put on hats, how to take off hats,

how to sit, how to stand up, how to salute in formation and how to salute when 2 persons meet.

--The military lifestyle has been forged and constantly strengthened throughout the school year because the study of national defense subjects was spread out over the entire year instead of only concentrated in 1 week as was the case previously.

--Due to the addition of 2 or 3 military instructors, schools have additional forces with which to maintain organization and discipline and strengthen school security patrols and guard duty; at many schools, the military instructors participated in supervising and taking charge of the youth security unit and conducted successful activities.

On the basis of the 1 year in which the policy mentioned above has been in effect, we propose the following several points:

--Concerning the program and scheduling:

One of the characteristics of a school is its stability. To be incorporated within the curriculum, a subject must be "programmed" by means of specific subject matter and details arranged in a course schedule for each week, each semester and the entire school year. During the past year, each school scheduled military training in a different way, such as using free periods for military training if the school schedule did not amount to 30 periods per week; taking one entire day per week or in alternate weeks for military training which, after awhile, amounted to the same as eliminating an entire week of academic training in order to provide military training; or staggering sessions, with students studying all morning and receiving military training in the afternoon or vice versa at schools with two sessions per day. All of these methods of scheduling have the drawback of either not facilitating military training or not facilitating academic study. On the basis of an exchange of experiences, we feel that the best method of scheduling is to schedule two consecutive sessions per week for military training, which is consistent with the requirements of military training and suited to the physical stamina and psychology of students.

--Concerning marks and grades:

Once a subject has been incorporated in the curriculum, students must be given marks and grades in it just as they are for literature, mathematics and so forth. Or, it can be a separate category to be graded along with conduct, academic subjects, labor and physical education. This is a matter that must be resolved at an early date because only when students are scored and graded are they motivated or required to study seriously.

--Concerning the relationship with other subjects:

In the military training program, the teaching of politics to middle school students involves a rather large number of lessons. Better results could surely be achieved if we were to have history teachers teach the lessons in our forefathers' tradition of fighting the enemy, the traditions of the army

and so forth and have political instructors teach about the Military Service Law. Some parts of the military training program are duplications of parts of the physical education program, such as the training in forming ranks in the 10th grade, marksmanship in the 12th grade and so forth. As a result, the possibility of combining these lessons as one must be studied.

--Concerning the corps of teachers:

The majority of the instructors sent from the army are enthusiastic, responsible and skilled in providing military training. However, teachers have many other demands upon them, such as being skilled educators and possessing minimum academic and political qualifications. Recently, however, some of the persons within the corps of teachers who provide instruction in military subjects have not completed their general school education, consequently, they have presented subject matter in a confusing manner and have sometimes been quick-tempered toward students or demanded that they undergo stringent training as soldiers within the army do. Therefore, we must be more concerned with the training of military instructors.

--Concerning material bases and the various forms employed to generate interest on the part of students:

Hanoi is a place that has a good many advantages with regard to material means and learning conditions, for example: there is no better way to teach army traditions than to teach them within the Army Museum itself; training in forming ranks can be provided through the use of films and materials on this subject and the authors of the Military Service Law can, themselves, be invited to classes on the Military Service Law; and, when learning about the traditions of the army, army heroes can be invited to speak. Full use must be made of all of these strengths in order to generate an interest in studies on the part of students.

Compared to holding military training classes all in 1 week, spreading them out in individual classes also has the drawback of making it difficult to create an atmosphere of emulation; therefore, after each phase of study, each bloc, each class or the entire school should hold an exercise to select outstanding units and individuals, during which arrangements can be made for some students to throw live grenades, fire live ammunition and so forth in order to motivate and encourage students in their studies and create an intensive atmosphere of emulating in teaching and learning among the various blocs and classes and within each school as well as between one school and another.

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CSO: 4209/531

MILITARY AFFAIRS AND PUBLIC SECURITY

ACHIEVEMENTS OF HAIPHONG LOCAL MILITARY SCHOOL PRAISED

Hanoi QUAN DOI NHAN DAN in Vietnamese 12 Aug 83 p 1

[VNA News Release: "The Haiphong Local Military School Teaches, Manages and Cares for Its Students Well"]

[Text] Although only recently established, the Haiphong Local Military School has been recognized for 5 continuous years as a "determined to win" unit (1978-1982) and been awarded the "Military Exploit Order 1st Class" for achievements in training and the "Military Exploit Order 3rd Class" for its achievements in excellently carrying out the campaign to "display the fine nature and increase the fighting strength" of the armed forces.

As part of the military and technical specialty school system of the Vietnam People's Army, the Haiphong Local Military School has the task of training reserve non-commissioned officers and officers, training the cadres who perform local military work and providing advanced training in military knowledge to the leadership cadres of the city.

The school's board regularly concerns itself with building a corps of instructors who are politically strong and skilled in their specialty. The school has planned the advanced training of instructors in three ways: sending instructors for training, self-study and training at the school itself. Supplementary training classes in technology, tactics, orders and politics are held for instructors in between phases of training. Together with closely observing instructors and establishing inspection programs, the school board has assigned veteran instructors to work alongside new instructors and skilled instructors to work with instructors who are not yet highly skilled in order to uniformly raise the qualifications of all instructors. As a result, all of the school's instructors meet the three requirements of teaching well, providing good management and wholeheartedly caring for their students. Some 82 percent of the instructors at the school meet "emulation warrior" standards and many instructors and training cadres have been promoted ahead of schedule or to a higher level than they would normally would have been promoted.

In its 10 years of conducting research and gaining experience, the school, together with building its corps of instructors, has put together a system of

materials and textbooks on tactics, technology, the various branches, orders, science, economics and social studies and established a library of more than 1,000 books to support research, instruction and learning.

In order for students to learn quickly and apply what they learn correctly, the training cadres and instructors of the school are always improving their methods of instruction and make flexible use of models, training aids and pictures to illustrate what is being taught. Displaying self-reliance, initiative and creativity, the school has constructed more than 4,500 square meters of housing, meeting halls, lecture halls, work offices, dining halls and so forth to improve living conditions and improve the quality of instruction and learning. Over the past 10 years, the collective of cadres, instructors and students of the Haiphong Local Military School have also constructed a rather complete system of tactical and technical training grounds suited to intermittent as well as continuous use. In addition, the collective of cadres, instructors and students has also purchased or manufactured thousands of training aids consisting of approximately 60 different types, thus correcting the problem of having to instruct without aids.

Along with its political and ideological work, the school has regularly concerned itself with the material and spiritual lives of its students. Through such forms of labor as excavating stone, producing unbaked bricks, raising buffalo, cattle, hogs and chickens and raising vegetables and beans outside school hours, the Haiphong Local Military School has been able to raise its daily eating standard per person to 100 grams of meat and 1 dong.

Over the past 10 years, the school has trained more than 24,500 squad and platoon cadres for the various units within the military region, many of whom have matured and recorded excellent achievements in the defense and construction of the fatherland.

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CSO: 4209/531

MILITARY AFFAIRS AND PUBLIC SECURITY

ARMY EDITORIAL ON LOCAL MILITARY WORK

Hanoi QUAN DOI NHAN DAN in Vietnamese 12 Aug 83 pp 1, 4

[Editorial: "Building Local Military Agencies and a Corps of Local Military Cadres That Are Solid and Strong"]

[Text] In order to meet the new requirements of local military work, building local military agencies and a corps of local military cadres that are solid and strong is an extremely important requirement, one that must be given appropriate attention.

The corps of local military cadres is the component of the standing army that is responsible for performing military tasks within the locality. The requirements and tasks involved in local military work are very diverse and the methods employed in this work differ from those employed by the main force units. For this reason, plans must be adopted for training the corps of local military cadres in a manner consistent with the characteristics of local military work as well as the functions and tasks of the local military agencies.

Local military work is military work of a mass nature, work that involves teaching, encouraging and organizing the masses to perform the military task of the party, mobilizing the masses to build the national defense system and organizing all the people in the fight against the enemy. Consequently, the agencies and cadres that perform local military work not only face the requirement of thoroughly understanding the military line of the party and the viewpoint concerning the people's war, but must also possess pure qualities and virtues, possess a good style and know how to mobilize the masses.

In a war to defend the fatherland, the provinces and municipalities not only guide and command the local armed forces and the local people's war under the conditions of modern warfare, but also, either independently or in coordination with main force units, assume the responsibility for one part of the campaign of the military region or the front. Therefore, local military agencies and the corps of local military cadres must not only be skilled in local military work and the local people's war, but must also study in order to learn and gain a full understanding of the fundamentals of combat coordination among the various branches, which is especially necessary for

cadres. At present, within the local military agencies, there is a stratum of cadres who have spent many years in local military work and gained much valuable experience; these cadres must be given advanced training and their experience must be tapped. Those cadres who return to the locality from main force units or after studying at school, the majority of whom are young, enthusiastic and dynamic but do not have much experience in local military work, must humbly study and rapidly raise their qualifications in every respect. Local military cadres must, on a rotating basis, receive training and supplementary education at local military schools and at academies; in addition, they must adopt plans for learning on their own in order to constantly improve their knowledge of military science, politics and economics and meet the requirements involved in serving as the staff of the party committee in the tasks of strengthening the national defense system and defending the socialist fatherland.

The local military agencies must full all of their functions and tasks as set forth in the resolutions and directives of the Military Commission of the Party Central Committee and the Ministry of National Defense, that is, they must perform every job well because every local military task has its own importance. The building and strengthening of local military agencies must be based on the requirements of the local military task and the local people's war in the new situation in order to establish a suitable table of organization and equipment. In the vast, sparsely populated border and mountainous areas of our country, where the terrain is rugged and travel is difficult, the militia and self-defense forces are not large but the requirements of combat and combat readiness are high. In the densely populated lowlands and midlands, the militia and self-defense forces are large and travel is easy. Therefore, specific regulations must be adopted that are consistent with the position, characteristics and requirements of combat and combat readiness in each locality and each area. In the border and mountainous areas, the table of organization and equipment is different than in the lowlands and midlands; not all places have tables of organization and equipment of equal size. Even within the same military region, there are provinces that have many cadres and soldiers and provinces that have few cadres and soldiers; within a province, there are districts with large organizations and districts with small organizations.

The corps of local military cadres have been entrusted by the party and army with the tasks of directly contributed to the building of the national defense system within the locality and preparing for and waging a victorious local people's war. In order to perform these military tasks, the localities must truly concern themselves with building, consolidating and strengthening the local military agencies and constantly improving, through training, the skills and qualifications of the corps of local military cadres, thereby creating the conditions for local military work to reach a new level of development and meet the requirements of the tasks of the revolution in the present stage.

CATHOLIC CHURCH UNDER SURVEILLANCE

Paris LE QUOTIDIEN DE PARIS in French, No 1182, 20-21 Aug 83 p 12

[Article: "Some 4 Million Catholics Feel Like Second-Class Citizens; Though Tolerated, They Must Contend With Government Pressure"]

[Text] There are now said to be 4,200,000 Catholics in Vietnam, i.e., 5.7% of the population. Officially, the religious policy of the Vietnamese Communist Party is "to respect the freedom to believe or not to believe." But also "to severely punish activities that use religion to compromise the interests of the party and of socialism..."

Officially, for having sought to "overthrow the revolutionary power of Vietnam," 13 Catholics, including 5 Jesuits, were sentenced to various punishments (Jesuit Father Nguyen van Hien, the "leader," was sentenced to life imprisonment) at the end of last June. The religious were, of course, not judged for their beliefs but for their acts: sabotage, inciting opposition to the regime, contacts with foreign services, etc. At least, according to Hanoi. In fact, as long as it respects the interests of the regime, the Vietnamese Church is not unduly bothered.

But, for the long term, a recent report of the Vietnamese Communist Party reveals the real intentions of this regime toward both Catholics and religions. The aim is, above all, to create dissension among them so that they self-destruct. It is also necessary to "transform the church, which till now has been an instrument of imperialism and of the anti-revolutionaries, into a religion at the service of the patriotic state, close to the nation and to socialism. The immediate objective is to make the religious activities conform to the policy and law of the state." The report also specifies that the party must be "vigilant with regard to opportunists who pass themselves off as progressives but who, in their activities, are only looking out for the interests of the church." As for the reactionaries, i.e., those who are "brazenly opposed to the revolution," the party line is clear: "We must be extremely wary, strike them down mercilessly, paralyze them so that they no longer have the strength to resist us."

Discrimination

The communists thus tolerate the Catholic Church, while endeavoring to reduce it. Indeed, they cannot make it disappear, fearing a revolt.

The Committee for the Front of the Country of Vietnam set the tone in a letter to Mgr Nguyen Van Binh, archbishop of Saigon: "Let us speak frankly; there is no use hiding it: there really is discrimination and different behavior--and this discrimination is necessary--with regard to some people who do not want to reform, or walk the straight path, or do their duty, or act according to true morals."

In fact, Catholics feel like second-class citizens. Priests are sent to the country. An effort is made to separate them from their congregations. Churches are not closed, but the hours of the masses have been limited, on the pretext of the necessities of production. Thus, in April 1977, in the hamlet of Tri-Buu, commune of Hai Tri, the Easter celebration had been under preparation for an entire week. An order was given to carry out irrigation work in the region of Quang Tri. The work was to start on Sunday morning, the day of the celebration. The population refused to do the work, in order to attend the mass. The next day, the whole hamlet pitched in, and the work, which was to have been done in 10 days, was completed in two and a half days.

The seminarians have great difficulty in completing their studies; they lead a semi-clandestine life, wandering from village to village without a legal existence, which prompted one of them to say: "We are like the Jews of Nazi Germany, with neither a land to live in nor a trade to ply in society."

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CSO: 4219/72

FRENCH BUSINESSMAN PROMOTES TRADE WITH SRV

Kuala Lumpur BUSINESS TIMES in English 26 Aug 83 p 19

[Article by Richard Cowper]

[Text]

EUROPEAN capitalism is alive and well in Communist Vietnam — albeit on a tiny scale — thanks to the determination of an energetic young Frenchman.

M. Frederic Benoliel, a 33-year-old lawyer, represents Rhone Poulenc, the one foreign company successfully to keep its office open in Ho Chi Minh City (formerly Saigon) after Hanoi's troops stormed into the southern capital eight years ago. As a result, today, the French company enjoys the undoubted distinction of being the only Western company to have a permanent joint venture anywhere in Vietnam.

Despite the hostile climate and the entrepreneurial malaise that now besets the once economically vibrant city, M. Benoliel maintains that his persistence is now beginning to pay off. "I can't pretend that it has not been tough, but the facts are that in the past four years our turnover has increased 30 fold, and I'm now more than paying for myself."

Rhone Poulenc's turnover in Vietnam was a mere US\$500,000 in 1979, but last year it topped US\$15 million. In theory much of this should be coming from the joint venture, Vina Specia SM, which was established with Vietnam's Ministry of Health in 1979 to produce vitamin C, aspirin and cough syrup.

But due to the problem

of importing the necessary raw materials, production at the company's factory in Ho Chi Minh City has only recently got underway, and by far the largest proportion is accounted for by imports of French goods, not necessarily Rhone Poulenc's.

M. Benoliel — out of sheer necessity it seems — has turned himself into an entrepreneur in the classic mould. Almost 90 per cent of French sales to Vietnam in 1982 went through his hands. Just a few months ago he cocked a French snook at the Japanese by selling Hanoi US\$2.5 million worth of textiles in an area of the market that for many years has been almost totally dominated by Japan.

Being one of just a tiny handful of Westerners based in the country has, he says, proved an enormous advantage. French companies which would like to sell to Hanoi neither know the Vietnamese or the market, so more than not they find it simplest to deal through M. Benoliel. For the Vietnamese too it makes good sense: "They know me, I know them" a relationship of mutual trust has built up which is advantageous to both sides. The textile deal, he points out with considerable pride, was uncovered by French Government insurance guarantees.

One of the reasons for the improvement in turn-

over has undoubtedly been Hanoi's policy of partial economic decentralisation. Economic planners in the North quickly came to realise that absorbing the south was unachievable by dictat. Initially all foreign trade, for example, had to be conducted through the Hanoi bureaucracy, which in practice often had little idea of the needs of other parts of the country and unlike the South lacked experience in dealing with foreign companies.

Needless to say at that time Rhone Poulenc's location in Ho Chi Minh City was a major disadvantage. But when the policy changed in 1979 and 1980 and Hanoi allowed provincial and urban authorities and enterprises to trade direct with foreign companies Rhone Poulenc's business started looking up. "It has been a real boon to us," admits M. Benoitel, "even our joint venture is now getting off the ground."

M. Benoitel, who alone among foreigners in Ho Chi Minh City drives his own car and lives in a private house is not, however, resting on his laurels. He has a vision of a Rhone-Poulenc Indo-China empire (which includes Burma) based on his representative office in Ho Chi Minh City, as the centre of the city is still known.

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DATE FILMED

3 OCT. 1983